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BRADSHAW FOUND THINGS BETTER THAN EXPECTED

Crop Improves the Outlook in Western Provinces of Canada

PEOPLE WORKING

Wider Recognition That Depression Must be Met By Labor and Thrift—Conditions Improve Slowly

Conditions in Western Canada are better than he expected to find them, according to Thomas Bradshaw, general manager of the Massey-Harris Company, who has just returned from a business survey of the prairie provinces. The realization on the big, new crop, is having a direct bearing on the business and financial situation. The outlook in Alberta and Saskatchewan is hopeful indeed, according to Mr. Bradshaw; the crop has not been over-estimated, and, with excellent weather for threshing, and labor as reasonable as could be expected, the farmers generally are feeling good. In Manitoba conditions are not so good and Winnipeg appears to be affected by local conditions. In large sections of the province, particularly in the southwest, there have not been good crops for several years, and this is having its effect on collections and new buying power.

The mortgage companies, Mr. Bradshaw says, are optimistic regarding conditions generally in the West. They are anticipating that there will be a considerable cutting down of arrears, and that borrowers who have been able to pay promptly in the past will have no difficulty in doing so again this year—excepting, of course, certain districts where there has been a crop failure.

Avoiding Paternalisms

Mr. Bradshaw noted a desirable change of sentiment in the farming communities of the West. This is not only a reflection of the good crop, but a growing realization on the part of the farmers that they must rely for prosperity on the fruits of their industry, and that permanent benefits are not to be secured by artificial measures; in the West, as in the East, the remedy for depression lies largely in good old-fashioned work, accompanied by thrift and economy.

In Manitoba, despite the unfavorable crop returns, it has been decided by the government not to go further in the matter of debt adjustments than the continuance of the year. The debt pool idea has been bureau which was established last dropped. The bureau will mediate informally between farmer debtor and his creditors where such mediation is necessary.

THE FINANCIAL POST understands that many of the important creditor elements of the business community have thrown in their lot with the government mediation scheme. "But the bankers could not be jockeyed into it," was the manner in which the non-participation of the chartered banks was explained. It is understood that the banks, for sound economic reasons, declined to abandon their priority claims on farmer loans. Winnipeg bank executives are understood to take the attitude that they have never in the past, and will not now, "throw a monkey wrench into the machinery." In other words, the bankers maintain that the larger creditor interests have at all times put forward their helpful influence to assist the financially embarrassed farmers; it is the isolated creditor who has invariably brought suit, and thus added to the farm financing problem.

Provincial Secretary McLeod's arrangement presumably disposes of the financing pool which was brought to Premier Bracken's attention a fortnight ago, and the dangers of which were pointed out by the correspondent of THE FINANCIAL POST. A combination of the creditor classes to pool the debts of the farmers of Western Canada has frequently been mooted, but the weaknesses of the plan are coming to be more and more recognized.

The satisfactory crop returns are having a favorable effect on general

(Continued on page 5)

Mild Weather Has Halted Fall Trade

Business in practically all seasonable lines is at a standstill and has been since the cool fall weather gave way to the present warm wave. Practically all houses, wholesale and retail dry goods houses, men's wear dealers and others, are feeling the effect keenly. Two weeks ago the weather was good, business was brisk and the outlook bright. An authority on the dry goods trade put the present situation of these houses rather well when he stated that the wholesalers were just doing a fair sized retail trade. In other words the demands on the retailers are so small that they are buying from the wholesalers just as they receive individual orders. Thus instead of ordering in dozen and gross lots, they are calling for sixths.

Present Newsprint Paper Price to be Continued

From Our Own Correspondent.

MONTREAL.—Indications are now quite definite that there will be no increase in newsprint prices this fall. American mills are planning to continue contract prices on the present basis, realizing that an increased price, while justified to some extent by American conditions, would put them at a further disadvantage against Canadian mills. The mills will absorb any additional costs.

The movement for a continuance of the present price level will receive the support of most of the Canadian mills, the heads of which are in favor of a stable market, and are desirous of preventing any action that will curtail consumption.

WANT TO KNOW IF MUNICIPAL BONDS CAN BE COLLECTED

Absence of Recommendation for Battleford Brings Question to Head

Following the failure of the Local Government Board in Saskatchewan to make a recommendation regarding Battleford, a municipality which is in default on its debt, the bondholders are seeking to determine how far they can go in collecting the debt .A call has been sent out for funds to finance an action to determine this all-important point.

The results of the action now being taken will have a far-reaching effect, in that they will settle the point as to whether a municipal debt in Saskatchewan is collectible, should the municipality persist in avoiding its obligations.

One well-known municipal authority states that investors who purchased Saskatchewan municipal bonds believing they obtained definite security in the assets of municipalities which might be legally enforced, find themselves deprived of this protection. When a municipality defaults, negotiations usually follow to arrive at an amicable settlement of the difficulty. If the bondholders decide that they should enforce their claims, the municipality may apply to the Local Government Board for an inquiry. Under existing legislation, all action against the municipality must cease, and cannot be renewed until the Board agrees. No time limit is set within which the inquiry must be completed, consequently bond holders find their claims blocked and they have no redress.

It is pointed out that legislation has been passed providing for a moratorium on mortgage debts, which only needs a proclamation from the Lieut.-Governor in Council to put it in force. In view of this definite action in the case of bonds, investors fear its extension to mortgages.

The holders of these bonds can apparently secure redress only at the pleasure of the Local Government Board. While the bond holders are the immediate sufferers, the greatest sufferers will ultimately be the municipalities themselves. Many large investors have refused to continue lending in the province, and others will tend to do likewise, unless some improvement takes place.

FIGHT FOR CONTROL OF LOAN COMPANY

Alexander Threatens Actions For Damages and Evans Organizes for Action

From Our Own Correspondent.

WINNIPEG.—The battle for control of the Great Western Permanent Loan, Canadian National Fire, and Imperial Canadian Trust Companies, now being staged by the present directors, headed by President W. T. Alexander, and the Shareholders' Securities Limited, organized by W. W. Evans, is not lacking in interesting developments. On the ground of damaging statements, Mr. Alexander has threatened action against the members of the advisory board of Shareholders' Securities, and they have denied legal responsibility. Whether the representative business men of Winnipeg, whose names appeared on the reorganization plan, have thus washed their hands of the project entirely, or merely deny legal responsibility, is not quite clear, but their action has put a new complexion on the situation.

On the other hand, Mr. Evans has met the chief objection to his reorganization plan raised by Mr. Alexander and the present directors, that shareholders would be losing voting control of their companies by giving the preferred shares equal voting power with the common. Further, he has desisted in a definite drive to have shareholders send in their stock at once, and is suggesting that they merely get organized, make thorough inquiry into the whole situation, and act when they have had an opportunity of determining a sound policy for the future.

QUEBEC EXPECTS OVER $50,000,000 TOURIST REVENUE

Pay for Good Roads From Tourist Traffic Plan of New Body

From Our Own Correspondent

MONTREAL. — Quebec province has had many thousands of tourists this year—estimated at seven hundred thousand—and is certain to have many more next year. But the problem now is to insure that in succeeding years the same tourists and others will continue to come. This is the work the new Quebec Tourists' Association has taken upon itself to do; to arrange for accommodation for automobilists and other tourists coming into the province, to the end of making their stay more comfortable and inducing them to return.

Hon. J. L. Perron, speaking at the inaugural meeting of the new Tourist Association, this week, estimated that if the province is properly organized to handle tourist traffic that the income from this source would be from fifty to sixty million dollars a year. This year it has estimated that Montreal got from eight to ten million dollars from tourist traffic.

Return on Road Investment

It is felt by the provincial government that apart from giving farmers facilities to get to market, the good roads of the province, on which many millions have been spent, must be made to return some further income. Some sixty million dollars have been spent upon the roads in this province, and recently the expenditure has been running at the rate of about eight million dollars a year. The bringing in of tourists, it is felt, will help to give the province additional return for these good roads. This year from one hundred and twenty-five thousand to one hundred and fifty thousand automobiles have been brought in, and many other tourists came in by railway and steamships.

It is recognized, though, that tourists cannot be induced to come to the province year after year unless proper accommodation is provided for them. For instance, there is a beautiful government road running from Montreal to St. Agathe, a road running through splendid scenery and costing a million dollars. Yet there is not a single place on this fine road at which a tourist could stop. As Mr. Perron pointed out, this week, there should be at least three good hotels on this route.

Standardize Hotels

The practical work of the newly launched association in promoting tourist traffic will be to encourage hotels which come up to a standard by granting certificates to such hotels and giving them an emblem of some sort to fly, indicating that the establishment has met with the requirements laid down by the association. The idea will probably be carried to garages, gasoline stations, and other agencies which have to do with tourist traffic, and one or two good inspectors will be employed to classify the accommodation provided.

It is likely that an attempt will be made also to establish bungalow camps throughout the province similar to those that have been established in the Rocky Mountains, and boys' and girls' camps may also be established in the Laurentians.

The new association is going to have the support of the railway companies, steamship lines, hotels, each of the municipalities of the province, and of various boards of trade, and other organizations. Its object will be to develop tourist traffic in Quebec alone, but it is understood that the men behind the association have no objection to later affiliating with a Dominion-wide tourist association composed of other provincial organizations of a similar nature.

The active president is Mayor Joseph Beuabien, of Outremont, and the vice-president is the Hon. Frank Carrel, of Quebec. There are other important business men on the active directorate.

GAS STRIKE AT EDMONTON

EDMONTON.—Drilling for water at Daugh, 14 miles north east of here, opened up a gas flow at 406 feet. The force of the gas was so great that it threw a stream of water 60 feet in the air.

The likelihood of further development of our natural resources so near to the city has interested several sufficiently to file claims in the Dominion Land Office.

THE BENEFITS OF OUTSIDE INSPECTION

The manager of a trust company expresses the view to THE FINANCIAL POST that the banks should welcome government inspection. He said that they had found it helpful to them, in two ways: First, they were able to tell customers they were unable to do certain things for them because the government inspectors would object; second, their own staff knew that the books were subject to government inspection and took more care on that account.

To Restore Confidence

Hon. Mr. Fielding explains with sound logic that the failure of the Home Bank was due to conditions which prevailed prior to the passing of the latest amendments to the Bank Act. The business and financial community will agree with him that the regulations as they now stand can, if properly enforced, prevent such losses as have been experienced by the Home and some of the other banks from being covered up in the reports to the government and to the shareholders, and that these amendments should be given a fair trial.

But at the same time it is quite apparent that the public is not satisfied that their deposits are adequately safeguarded. The resolutions of the depositors of the Home Bank, the demands of the press throughout the country and the expressions from various public bodies are evidences of the tenor of public opinion which find their definite reflection in the withdrawal of deposits from a number of banks as revealed by the bank statement.

Mr. Fielding fears a system of inspection which would place too much responsibility on the government. The business community would also be apprehensive of such a system. But practical bankers and financiers believe that detailed inspection would not be necessary—that head office supervision of the large loans would suffice to check advances on venturesome enterprises before they involve overwhelming losses. A system of inter-bank supervision through the Canadian Bankers' Association along the lines of the Chicago Clearing House plan, outlined in THE FINANCIAL POST a couple of weeks ago, would have the same desired effect. There are also suggestions as to limitation of commercial loans along the lines of reinsurance by the insurance companies or the guarantee of deposits through a central fund, which should be carefully considered in view of the present rather serious situation.

It is highly important that something be done to restore the confidence of the public in the Canadian banks. The problem is up to the Canadian Bankers' Association and Mr. Fielding. The alternative to satisyfing the public that their deposits are safe in the chartered banks will be a sweeping popular demand for government banks which even a government alive to the dangers of such a system might not be able to resist.

Thinks Government Supervision Would Restore Public Confidence

Canadian Banker Now in States Thinks Banks Would Be Short-sighted to Oppose Any Reasonable Proposal Which Would Satisfy Public Opinion

In response to a letter from THE FINANCIAL POST asking their opinion of the best method of meeting the situation which has arisen in Canadian banking, with a loss of public confidence which is reflected in the withdrawal of deposits from a number of the banks and an increasing demand for government banks, twelve former Canadian bankers now in executive positions in big banks in the United States have replied suggesting some form of outside supervision. Every answer has been published, although in some cases the identity of the writer was reserved. Not one has opposed supervision by the government. Detailed inspection is not favored, but there has been no objection to supervision of head offices. Inspection of the banks themselves through the bankers' association has been suggested as an alternative and limitation of loans has been submitted as one method of preventing heavy industrial losses.

In the following letter from R. P. Fraser, manager of the foreign department of the People's State Bank of Detroit, the necessity for restoring public confidence is particularly urged:

THE PEOPLE'S STATE BANK

Detroit, Oct. 4, 1923.

Editor, The Financial Post,

Sir:—Referring to yours of the 1st ultimo, regarding the Canadian Bank Act, the many articles which have appeared in the Canadian Press on the question of government inspection of banks have been followed with a great deal of interest, particularly as the recent unfortunate incidents in Canadian banking have shown that the losses which impaired the bank's standing were all due to bad management in the head offices.

I do not believe it would be advisable, nor even necessary ,to have a system of government inspection to cover all the branches of Canadian Banks, for the branches are closely checked up now by the Head Offices. In any case, the smaller offices are not in a position to enter into transactions large enough to affect the stability of their respective institutions. It is the loans at the large branches and the financial operations at the head offices which have hurt, and these could very well be inspected by an outside department. The usual returns to Head Office could be accepted for the smaller branches, which, however, could be inspected "here and there" from time to time for moral effect.

It would be quite possible to organize a banking department under the control of the Minister of Finance, which department could quickly be manned by an efficient group of ex-bankers, if desired, although the ability to judge a loan is not a "prerogative" of the banking profession. These government inspectors could be given authority to inspect the banks from time to time, and their work need not conflict with the banks' internal inspection systems. When the inspections are finished, reports could be made in triplicate, one copy to go to the Minister of Finance, one to the bank's board of directors, the third to the general manager.

The monthly returns are, of themselves, a mass of figures which do not necessarily indicate the true position of the bank, for it is a question if some banks have not included, as good current loans, advances which were hopelessly bad. The State and National bank inspection has worked very well on this side, and it may interest you to know that out of thirty years or more of State bank supervision in Michigan, only about 19 banks have been closed through insolvency and the returns to the depositors have been around 65% of their claims. In the case of the Home Bank, the prospective return may be very much less—notwithstanding that the bank's affairs were supposed to be audited by a firm of accountants whose standing and qualifications had been approved by the minister of finance.

The Canadian banks would have nothing whatever to lose by agreeing to government inspection, whereas, in my opinion, they do lay themselves open to criticism in opposing the suggestion and standing out for the present system which calls only for the audit by accountants who, though "approved" by the minister of finance, are engaged by and take their orders from the officials of the banks they are to inspect. The submission of the auditor's name to the shareholders at the annual meetings of the banks is a mere formality, for few of the shareholders know enough of the bank's affairs to offer any counter suggestion. Government inspectors would not be subject to the orders of the banks, nor dependent on the goodwill of the officials, although there is no reason whatever for the relations between the two being anything else but of the happiest kind. It would go a long way to restoring public confidence in Canada if the banks were to declare that their books were open to inspection, for that would mean they had nothing to be afraid of.

There seems to be an impression in some quarters that government inspection would give the public the belief that deposits in banks were guaranteed by the Government. That is "befogging" the issue, I think, for although we have had government inspection on this side for years, no such opinion prevails among the public.

R. P. FRASER,
Manager, Foreign Department.

WILD GUESSES HURT MORE THAN FACTS

But Canada Will no Longer Compile Data on Capital Invested

From Our Own Correspondent.

MONTREAL.—Because of the protest of a large number of manufacturers, the Dominion Bureau of Statistics has decided to omit from its 1922 census of industry in Canada, figures showing the distribution of the capital invested in Canadian industry.

Manufacturers protested because the census indicated a very large percentage of the capital invested in Canadian industry was American capital. The actual figure was about 31 per cent. for 1920. This was just three times the amount of capital invested by British investors in Canadian industry.

How short-sighted is this policy of omitting such a valuable piece of information from the data compiled by the bureau can be seen from a recent example. A statement has appeared in a number of American financial papers and was repeated recently in an article in the Bulletin of the Winnipeg Board of Trade to the effect that the United States has invested over $250,000,000 in the Canadian pulp and paper industry. In fact this round sum has been accepted by many reputable statisticians as correct. The statistics compiled by the bureau from the manufacturers themselves indicated that American capital in the Canadian pulp and paper industry totalled less than $75,000,000. Certainly, the wild estimate made without information obtained from primary sources was more dangerous and misleading than the governmental figure.

Premier Bruce, of Australia, recently declined to grant a preference to Canadian paper on their ground that the Canadian paper industry was owned by Americans. On the basis of the unofficial figures, he would be absolutely correct, for the total amount invested in the pulp and paper is only $400,000,000 and $250,000,000 is nearly 65 per cent. of that total. But the actual figures show American investment of 20 per cent. Canadians have invested over 70% of the total and thus control their pulp and paper industry.

NO ONE OVERSEAS TO DEBATE TRADE WITH AUSTRALIA

But Premier Bruce Expected To Return Via Canada

CANADA FROZEN OUT

Australia Shows Indifference to Our Pleas For Preferential Tariff—The Automobile Would be Affected

From Our Own Correspondent.

MONTREAL. — The deadlock reached between Canada and Australia in the negotiation of a reciprocal trade treaty has been a distinct disappointment to manufacturers in many lines. The whole question now rests upon the future action of Australia, which has shown little disposition to meet Canada on this question at all. Premier Bruce is avowedly in favor of the highest possible protection for the manufacturers of Australia and with characteristic vigor has indicated an unwillingness to get together with Canada on this question. The other day speaking at Sydney he stated that the treaty could not be negotiated because Canada would not meet Australia on the question of dried fruit. At the last session of parliament, legislation was passed giving the cabinet power to grant free concessions in raisins and other fruits from Australia. But Bruce says Canada will not complete this legislation without getting all its claims granted. Premier Bruce also made the statement that allowing favorable tariffs to Canada would merely be giving them to Americans, because Canadian industry was controlled by American capital anyway.

No Trade Men Abroad

Premier Bruce will be at the Imperial Economic Conference, but it is unfortunate that not a single representative of the Canadian Department of Trade and Commerce is at the conference and it is unlikely that the opportunity will be seized to negotiate with the Australia representatives on this question. Bruce is expected, however, to return to Australia via Canada and undoubtedly the Hon. Mr. Low, Minister of Trade and Commerce, will go over the question again. The chief advantage of such a treaty would not be in the increase of Canadian exports to Australia, although this would follow, but in the increase of American investment in Canada. For instance, automobiles for most of the British Dominions are now manufactured and shipped from Canadian

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Easterners Fleeced Over Orders for Alberta Coal

A leading Toronto coal dealer made the statement to THE FINANCIAL POST that a solicitor for Alberta coal had made a clean up in taking orders throughout the province and had then disappeared. In soliciting orders for coal, he asked a deposit of from two to four dollars a ton. It is stated that he got away with $1,700 when he disappeared. No coal has been forthcoming.

THRESHING IN SASKATCHEWAN

REGINA.—With fine weather until the middle of this month, threshing will be practically completed.

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Quarterly Dividend Notice No. 132.

A dividend at the rate of Three Per Cent. (3%) for the three months ending 31st October, 1923, being at the rate of 12 per cent. per annum, has been declared payable on the 1st of November, 1923, to Shareholders of record as at the 18th of October, 1923.

By Order of the Board.

N. L. McLEOD,
General Manager.

Toronto,
Sept. 19th, 1923.

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A General Banking and Foreign Exchange Business Transacted.

EXPECT REVIVAL IN IMPLEMENT TRADE

Late Winter and Early Spring Should Certainly See An Improvement

Massey-Harris plant at Toronto, which has been closed for repairs, will reopen again shortly and operate for the fall and winter at about 60 to 75 per cent. capacity, according to J. N. Shenstone, vice-pres. of the concern. Farm implement sales during the past summer were only fair, he says, and this condition extended to all parts of the country, both Eastern and Western Canada. "The present time is, of course, not looked to for sales, but the late winter and early spring will, we are confident, show a considerable revival.

"Export business is slow just now and is likely to remain so until conditions in foreign countries are improved. The preferential tariff in New Zealand is still being maintained and, although there is a possibility, perhaps, of our manufacturing implements there, it is decidedly not an immediate possibility.

"Credit is still being extended to farmers in the purchase of machinery, and is likely to be continued for some time. It would be very nice if sales could be placed on a strictly cash basis, as has been suggested, but my opinion is that if such were the rule a few would pay for implements and the rest would go without. It might have been done at one time, in the past, but not now."

Canada Now Stronger Financially Than Ever

The fact is that the financial world of Canada is stronger to-day than at any time since the war, says the October letter of the Canadian Bank of Commerce. A large percentage of its assets are in the form of cash or of securities that can quickly be converted into cash, and as frozen credits are liquidated or frankly written off an increasing proportion of its total assets can be regarded as representing the actual working capital of the nation. It only requires a persistent adherence to the principles of sound business, such as have saved Canada in the past from the worst effects of world-wide panic in order to vindicate to the full the Canadian credit system.

TRADE MARKS CAN BECOME PROPERTY BY YEARS OF USE

That is Why London Firm Wins Kellogg's Corn Flakes Case

NO ASSIGNMENT

Judge Rules as to the Circumstances Under Which Trade Mark May Be Transferred

A long legal battle advanced another step and may have been brought to conclusion by a judgment recently handed down in Toronto giving the Battle Creek Toasted Corn Flake Company of London the exclusive right to the use of the trademark "Kellogg's" on corn flakes in Canada. It has long been a source of mystification to many people to see two different makes of "Kellogg's Toasted Corn Flakes" advertised in Canada and the story of how this situation was brought about is a valuable study for business men interested in trade marks and the assignment of trade marks and goodwill. The other party to the dispute, that claimed the right to manufacture corn flakes under the name "Kellogg's," was the W. K. Kellogg Cereal Company, which manufactures the product in the United States and some time ago built a factory at Toronto for the same purpose.

It was back in 1906 that a Canadian company purchased the rights to manufacture in Canada corn flakes which at that time were known as "Sanitas" in Battle Creek, Mich., and which had been invented by Dr. John H. Kellogg. The price paid was $75,000. A short time later the firm in Michigan changed the name of their flakes from "Sanitas" to "Kellogg's," and in a letter from W. K. Kellogg it was suggested to the Canadian firm at London, Ont., that they do the same. However, the Canadian firm did not make the change at the time, and later wrote for permission. This permission was not definitely granted nor definitely refused. W. K. Kellogg replied in effect that he could not give this permission but advised them to do as they desired. So the London firm went ahead and used the name Kellogg. That was in October, 1908.

American Firm Comes In

When in 1914 the Kellogg Toasted Corn Flake Co. of Battle Creek, Mich., decided to enter the Canadian market with their bran and other cereal foods, the London firm instituted suit against them, stating they did not have the right to use the name "Kellogg" on any cereal food, by virtue of the agreement. The result in April, 1922, was an order restraining the defendants from selling in Canada, in competition with the corn flakes manufactured and sold by the London company and from selling toasted corn flakes in cartons similar in form, lettering or coloring to cartons or boxes used by the plaintiff. The defendants appealed against the judgment and the final judgment upheld the other.

• Trade-Mark Rights

In giving judgment, Justice Ferguson defined trade-mark rights. He is of the opinion that where the owner of a trade-mark has established a trade in several countries he may assign his business in each country, and that where he assigns the exclusive rights in a certain territory he thereby transfers his business in that country and may transfer his rights to use the trade-mark. He further claims it is not necessary that a United States firm should have a place of business or factory in Canada, but only essential to have a business in Canada.

He found further that the value of the trade-mark was in the circumstance that it indicated to the public that the goods were manufactured and put on the market by someone having authority to do so, from the originator of the food. The corn flakes, he found, was the same food as was used in the Battle Creek Sanitarium, and had before been marketed by the Sanitas Company; in other words that the plaintiffs were the successors to the Canadian business of the vendors. He did not think that the plaintiffs lost their rights to the mark because at one time they were unable to fill all the orders and imported some of the defendant's goods. As compared to the whole volume of the plaintiffs' business he said that the quantity imported was small and the occasions few, so he did not think there was evidence of any deception.

Injunction is Granted

For the above reasons he was of the opinion that the plaintiffs were entitled to an injunction restraining the defendants from selling or offering for sale in Canada, under the name "Sanitas" corn flakes or goods of the same class. He did not think that the plaintiffs' right to the use in Canada of the name "Kellogg" could be based on the leave, license or assignment from the defendant as in his opinion, at the time the plaintiffs commenced to use it, the defendant had no rights to the name or mark in Canada, and therefore could not transfer it to the plaintiff. In view of the fact that by years of exclusive use of the name "Kellogg" on corn flakes in Canada, that the plaintiffs had priority to the trade-mark and were entitled to an injunction. Justice Ferguson then declared in the judgment that the plaintiffs, since January, 1908, have had the exclusive rights to sell in Canada corn flakes manufactured according to the invention of Dr. J. H. Kellogg; since January, 1908, the plaintiffs have had the exclusive rights to sell corn flakes under the trade mark "Sanitas," and since October, 1908, the same right with reference to the name of mark "Kellogg."

ENEMY PROPERTY OVER $40,000,000

May Take a Generation to Work Out Ownership of Fund

From Our Own Correspondent.

MONTREAL.—The ultimate fate of most of the $40,000,000 worth of securities and assets in the hands of the Enemy Property Custodian at Ottawa is still in doubt. It now appears that the work of the Enemy Property Custodian is likely to go on for another generation or more.

The property held in trust by the custodian consists of shares of stock in Canadian companies that were held by German citizens before the war, and land, etc., throughout Canada, also owned in Germany. In the case of the lands, most of these have been marketed or are being marketed, and the proceeds invested. The property is held to meet claims of the Canadian government against Germany and is not related in any way to reparations, although it has been the general opinion that the claims decided upon by the Hon. William Pugsley, Canada's reparation commissioner, would be paid out of this fund.

The only monies that have been paid out of this fund have been payments to Canadians who had investments in Germany before the war, such, for instance, as the payment of a million and a half dollars to the Massey-Harris Co. But as Canada was not an investing nation as Germany was, it will easily be recognized that the investments confiscated by Canada far exceed the investments confiscated by Germany, the difference being about $40,000,000 in Canada's favor.

One of the largest holdings of stock securities in this fund consisted of 143,000 shares of Canadian Pacific Railway, formerly held by German nationals. About 40,000 shares of this stock have been released from the custodian's fund because the owners were able to prove that they were not German citizens, or were able to prove that while the stock may have been held in Germany it was held on the account of neutral or allied subjects.

TO GET TOURISTS TO MAKE ROAD PAY

Wide Publicity Effort is Now Being Proposed in British Columbia

From Our Own Correspondent

VICTORIA.—Strong efforts are being put forward by the provincial government to populate the territory tributory to the Pacific Great Eastern Railway, the government-owned line. The government realizes that the surest way of making the railroad pay for itself is to increase population in the country served by it. It has arranged with the Western Canada Colonization Company, backed by the C. P. R. and the Dominion government, to assist in attracting settlers to the Pacific Great Eastern country. The government is now negotiating with representatives of Swiss colonization organizations with a view to having colonies of Swiss farmers established in central British Columbia.

The government is also determined to make a strong bid for a big share of the Western tourist business, because the cities of Vancouver and Victoria have proved during the past two or three years the phenomenal results that can be attained from judicious advertising for tourists. Certain interests, close to the provincial government, are urging the enlargement of the government's present "information bureau" so as to give representation to all portions of the province in one central tourist organization.

MANY THINGS FAVOR EARNERS OF WAGES

Are Better Off at Present Than During the High Peak of 1920

NEW YORK.—The National Industrial Conference Board's investigations show that rents to-day are greater than at any time since before the war, but other items in the family budget have dropped enough to give a real bulge to the pay envelope.

The wage situation, according to their report, reflects at present a higher level for real earnings as weighted with what these earnings will buy, than at any time since before the war, not excepting the so-called "peak" period of 1920. The cost of living in July was 61.9 per cent. above the 1914 level, but this was a decline of 20.8 per cent. from the peak of high prices in July, 1920. The rent item was 75 per cent. higher, the Board's figures show, than in 1914, and even higher than the former peak of 71 per cent. in the spring of 1921.

But especially noteworthy is the decided advance in "real" earnings, which establishes the contention that the American workingman is better off to-day than he ever was before. During the first half of 1923, increased pay and a higher level of hours worked, resulted in substantially increased earnings, but comparatively small increase in the cost of living for the same period materially increased "real" earnings, which reached levels well above those attained during the months of so-called peak wages in 1920. In June, the "real" hourly earnings were 40 per cent. above the 1914 level, and the weekly earnings 35 per cent. higher.

WOULD COLLECT THE SALES TAX AS HERETOFORE

Many Manufacturers are Opposed to Change in System

On behalf of the shoe manufacturers, S. Roy Weaver, manager of the Shoe Manufacturers' Association of Canada, makes it clear that they are not in favor of the plan of absorbing the new sales tax into the quoted price, but favor a continuance of the old procedure with the sales tax as a separate item on every invoice whether to wholesaler or retailer. Altogether, the information reaching THE FINANCIAL POST indicates that a great many manufacturers are opposed to any change. It seems altogether likely that the attitude of Ottawa will be that it is a matter of detail how the tax is collected so long as the revenue is forthcoming.

It may, therefore, be left optional with the manufacturers as to whether the tax is passed on or absorbed so long as it is imposed on the highest manufactured valuation and collected by those responsible under the legislation—the manufacturers and importers for the most part and the licensed wholesalers.

It is understood that the shoe manufacturers are very largely for the maintenance of the old system of collecting. Mr. Weaver says:

> We have reason to believe that the shoe manufacturers, almost without exception other than those firms which do a wholesale as well as a manufacturing business, have adopted this policy. Most of them, in fact, already are stating expressly on all price quotations and confirmations of orders that prices are quoted and orders accepted strictly conditional upon Government sales tax being extra. It is our understanding that the garment manufacturers also have decided to sell on terms of sales tax extra and that many other groups and individual manufacturing firms expect to do the same.
>
> In explanation of the recommendation of our Executive Committee, it was believed that continuance of the present system of selling on terms of sales tax extra would be the simplest procedure for the manufacturer and the most economical for the buyer, inasmuch as pyramiding would be avoided, and no profit or overhead or other addition would be charged on top of the tax. The sales tax has been changed almost every year and there is no certainty that the new legislation will be continued without amendment. The policy which our members have adopted will involve no unfairness to any interest and will entail a minimum of difficulty, in case changes are made in the sales tax at a later date. There is a further consideration that, by quoting prices with sales tax extra, Canadian manufacturers will avoid unfair price comparisons with goods quoted by manufacturers in other countries where no sales tax is levied.

Some Advance in Prices in September

OTTAWA.—The index number of wholesale prices (weighted) compiled by the Dominion Bureau of Statistics was 154.7 in September, showing a rise of 1.4 points as compared with August, when it was 153.3. The year 1913 is reckoned as 100 and the index is computed from 238 price series.

The index numbers for six of the eight main groups indicate a rise in the price level as comparde with August; the remaining two show a decline. Vegetable products rose from 147.2 to 148.0, because of higher sugar, potato and fruit prices, which offset the decline in grains. Animals and their products rose from 126.9 to 132.5, due to seasonal increases in butter and egg prices. Fibres, textiles and textile products were 196.7 in September, as compared with 195.9 in August, declines in cotton fabrics and raw wool being offset by increases in raw silk, raw cotton, jute and cotton yarns. Wood, wood products and paper, rose from 177.7 to 177.9. Non-ferrous metals and their products from 97.9 to 98.3, and chemicals and allied products from 165.4 to 167.9. Iron and its products fell from 170.3 to 168.2 on account of further decreases in pig iron and steel rail prices. Non-metallic minerals and their products declined from 184.0 to 183.6.

Egan's Appointment Is Widely Approved

From Our Own Correspondent

MONTREAL. — Appointment of William J. Egan to be deputy minister of immigration is regarded in business circles as another constructive step. Mr. Egan has had wide business training, apart from the trade commissioner work, and has the confidence of business men generally.

The hope is expressed that Mr. Egan will implement the promising statements of Hon. J. A. Robb, the minister, by seeing to it that more restrictions on immigrations are lifted. An Ottawa barrister who has handled many applications for entry into Canada states that there is no visible evidence that the immigration regulations have been changed. He states that W. J. Black, the former deputy minister, adhered firmly to the rule that only farmers and domestics should enter Canada and barred many suitable mechanics and tradesmen from entry.

Two Alberta Oil Wells Now at Critical Stage

EDMONTON. — Oil interest at present centres around Imperial Oil's No. 2 well at Battle River Ridge, in the Irma field, and Talpey-Arnold well at Birch Lake. New drill supplies have just been sent in to both wells and it is figured that they are at the critical stage.

The bringing in of either of these wells just at this time will mean more to Alberta than anything else that could happen. With the bumper crop and the prospect of more money in the country for development, other wells that have been held up for want of capital would soon be in shape to prove up their holdings.

ALBERTA'S DAIRY PRODUCTS

EDMONTON.—Alberta, according to the last government agricultural report, has 400,000 dairy cows, valued at approximately $19,500,000. The product of these cows last year was worth $23,500,000, or $4,000,000 more than their own value.

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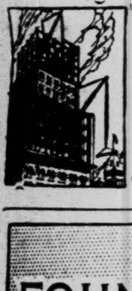

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WEST DEMANDING CHANGES IN BANK REGULATIONS

Thorough Inquiry Into Home Bank Affairs Wanted

INSPECTION NEEDED

Press Argues That Something In the Nature of Government Supervision Required to Restore Confidence

From Our Own Correspondent

WINNIPEG.—"The law of the jungle is the law of banking to-day," William Irvine, M.P. for Calgary, East, said in an interview here last week, and while Mr. Irvine's remarks are invariable so ultra that they can be taken with the proverbial grain of salt, yet the fact remains that his sentiment is more and more the trend of public opinion in the West at the present time. As mirrored in the influential press, there is a firm conviction that the Home Bank collapse calls for an investigation: "No royal commission," as the Winnipeg Tribune stresses, but "the kind of investigation that only a parliamentary committee can give — informal, searching and rigorous." Out of the present agitation is clearly accumulating a demand for further revision of the Bank Act, a demand with influential Western backing.

Mr. Irvine, who was a member of the Banking Committee at Ottawa last year, foreshadows, "we will press next year for an investigation which we failed to get last year; the government which absolutely refused to make an investigation which would have revealed the status of the Home Bank and all other banks, and thus protected the public ought now to assume the responsibilities which are consequent upon their negligence."

The Manitoba Free Press opines that the Home Bank revelations have created a situation "that should put an end to the reiterations of those inside and outside the government to the effect that the Canadian banking system is complete and perfect and must be kept inviolate from the rude hands of the layman."

What is Corrective?

No prophet has as yet arisen in the West to point out the specific corrective which must be applied, but there is a unanimity of opinion that "the means by which a chartered bank in this country can be ruined without anyone seeming to know anything about it until the crash comes should be discovered and steps taken to make such a thing more difficult in the future," to quote the Regina Leader.

Stricter government supervision is regarded in this part of the country as at least one of the remedies which must be applied. But, as the Winnipeg Free Press points out, "if the government is going to control the banks, it should do so under an act that would give it real authority."

"It should be in a position to prove to itself that a bank is carrying on its business along reasonably sound lines. It should have the authority to ascertain whether something shown on paper as a million dollar asset is worth somewhere near a million dollars or worth five cents. The latter appears to have been the case in connection with some of the investments of the Merchants and Home banks. That is the only kind of government bank inspection that will be worth anything. And probably the banks need it as much as anybody if they wish to retain public confidence. No doubt there will be an interesting time over it all when parliament next meets at Ottawa."

Mining and Banking

The Calgary Herald draws an anomaly between the mining industry and the banking business, and in the light of recent developments professes to see the same necessity for rigid banking restrictions as warrant the passage of blue sky laws to protect the public against crooked mining, oil, and other company promoters. "Puting it bluntly," comments the Calgary Herald, "is there much difference between a mining company badly run, managed on a false basis, and a Canadian bank that would make dishonest monthly statements to the government, dishonest annual statements to the shareholders, and eventually cause great loss to depositors?"

The Regina Daily Post calls for an immediate and searching examination by the Federal government. "If the collapse is to mean a loss of more than one-half of their savings by the depositors, and a complete loss by the shareholders, it certainly does point to mismanagement by the bank's officers, and it proves once again the utter uselessness of reports submitted to the minister of finance."

That Railway Deposit

The Regina Daily Post, too, minces few words in regard to the $1,000,000 C. N. R. deposit which was given to the Home Bank on May 23 and withdrawn June 2. Says the Post: "Actually, that fact seems to support the belief that there was some sort of collusion to assist the bank to make a favorable showing and put off the day of reckoning. It reminds one, also, of the undisputable truth that financial power in Canada is becoming concentrated in the hands of a clique."

"Some of its transactions already exposed smell to high heaven," says the Winnipeg Tribune, joining in the cry for justice to the Home Bank depositors, and demanding complete investigation if for no other reason than to reassure general banking confidence in Canada. "Clearly there is guilt not to be explained away or condoned," declares the Tribune, adding: "It is a terrible indictment of government in Canada that such a condition could develop and exist so long without anyone outside the bank becoming aware of it. It will be worse still if, as in the Merchants Bank case, the law proves inadequate to inflict proper punishment upon the guilty officials, whoever they may be."

The banking denouement has been made one of the "planks" of Winnipeg's North End by-election. J. S. Woodsworth, M.P., and William Irvine, M.P., for Calgary East, have both interjected into the Winnipeg campaign their denunciations of the banking situation, although Mr. Irvine has qualified his charges with approval of the present trend toward the further merging of Canada's banking institutions. Mr. Irvine says he welcomes bank mergers as "a step in the evolutionary process which will hasten the handling of banking by a new social system."

STOCKS OF WHEAT SMALL IN EUROPE

Purchasing on Hand to Mouth Basis Because of Financial Conditions Prevailing

NEW YORK.—The crops in western Europe are considerably in excess of last year's and about equal to those of the pre-war period, says the National Bank of Commerce in New York.

Continuing in the October issue of Commerce Monthly it states that:

"The partial restoration of agriculture in Russia and expectation of a record wheat crop in Canada, together with an assured crop and restricted purchasing power in Western Europe, have combined to provide a supply of wheat for the 1923-24 harvest year which promises to be somewhat heavier in relation to prospective demand than the crops of the two preceding years. Any estimate of the net world surplus of wheat must be a rough guess at best, for it is subject to many and conflicting influences. Some of the indicated surplus for the current year would be absorbed if European purchasing power approximated pre-war standards. Per capita consumption in Europe is undoubtedly low and its restoration will be a slow process. On the other hand a continued low price of wheat should enable consumers to purchase considerably larger quantities for the same outlay of money than at any time since the war began."

On a conservative estimate, total world imports are likely to range between 500 and 600 million bushels. Continuing, the bank says:

"Stocks too are small in Europe, a fact which accentuates the effect of a large world carryover upon the market. Prior to the war European importing counties were accustomed to buy heavily just after harvest, and any surplus there at the end of the year was widely disseminated, much of it in hands close to the ultimate consumer. At present, financial conditions and the fluctuations of exchange have forced these countries to purchase largely on a hand-to-mouth basis, thus leaving a larger proportion of the surplus in exporting countries where its existence and amount can be more readily determined."

CONFISCATION IS FEARED IN CUBA

Protests of Business Interests Are Being Strongly Backed in Washington

Cuba has in recent months given cause for no little concern on the part of business interests. The latest development was a piece of legislation known as the Tarafa Bill, introduced and passed by the lower house of the Cuban Congress providing for the consolidation of some of the principal railway lines of Cuba as well as for the practical elimination of some 47 private ports used by sugar companies for exporting their products. The private ports and railroads which the bill would put out of business are owned in large part by American enterprises. These American sugar and other interests protested to the State Department at Washington that the passage of the bill would mean the confiscation of their property rights amounting to many millions of dollars.

Secretary Hughes sent for Ambassador Crowder to return from Cuba to confer with him. Following the conference, the State Department suggested the passage of the bill be withheld until the United States government had had an opportunity to investigate it more thoroughly. It was also announced at Washington that President Coolidge had notified the Cuban government that American business interests in the island must be respected.

The passage of the bill was temporarily withheld and Mr. Tarafa came to Washington to confer with the State Department and the American interests which would be injured by the bill. An understanding was reached as to the modifications which were necessary for the protection of American rights, but up to the present time the status of the bill remains unchanged.

Creditors to Appoint Bankruptcy Trustees

The outstanding feature of the Bankruptcy Amendment Act, which came into force on October 1, is the abolition of the system of authorized trustees and the adoption of the English method of administration of insolvent estates by trustees elected by the creditors, the main object of the new Act being to give the appointment of the trustee or trustees at the outset to the creditors, who are most interested in choosing the trustee.

A joint committee of the Canadian Manufacturers' Association and other organizations, after several meetings, made representations to the Department of Justice; the amending act is the result.

ALEXANDER SAYS REORGANIZATION BACKERS QUIT

Disclaim Legal Responsibility for Statements

Taxing them as members of the advisory committee announced in connection with the plan to reorganize the Great West Permanent Loan, Canadian National Fire and Imperial Canadian Trust Companies as Shareholders' Securities, Limited, with responsibility for statements made in the circular to stock-holders which it is alleged are damaging, the following letter was sent to R. T. Evans, Col. J. Y. Reid, C. V. Cummings, R. R. Wilson, Andrew Kelly, C. Rice-Jones, and E. W. Kneeland:

"Dear Sir:—We have been asked by The Canada National Fire Insurance Company, The Great West Permanent Loan Company and The Imperial Canadian Trust Company to advise them in relation to the statements contained in certain documents published by a company called 'Shareholders Securities Limited,' and dated September 20, 1923.

"We have advised them that these publications or many of the statements contained therein, are libellous and that they have the right to maintain actions for damages against the 'Shareholders Securities Limited,' its officers and directors and we have been instructed to act.

"We notice in one of these documents that your name is given as a member of the 'Advisory Committee' put forward by 'Shareholders Securities Limited' in connection with their scheme.

"We cannot think that these libellous publications were published with your knowledge and consent, but from the fact that your name appears in this document and as an apparent consenting party thereto, it will certainly lead those receiving these publications, to believe that the libellous statements contained therein, were made with your consent and approval and your name was doubtlessly introduced with this very purpose and to induce shareholders to act in the belief that you were endorsing and guaranteeing the truth of the statements published.

"We write you, therefore, asking whether these publications, with the statements contained therein, were published with your knowledge and/or consent, as if not, it appears to us in fairness to our clients, you should write us a letter stating that you are not responsible for the statements contained in these publications and that you in no way endorse or guarantee the truth of any such statements.

"On the other hand, if these statements were published with your knowledge and/or consent, which we feel cannot be the case, we will have to advise our clients to act accordingly.

"Thanking you for an early acknowledgment and reply, we remain,

Yours truly,"

This action is explained in a second circular to the shareholders of the various companies signed by W. T. Alexander and the other Winnipeg directors. This circular goes on to say that on the 1st day of October, 1923, the firm of Solicitors, Messrs. Pitblado, Hoskin & Co., who wrote the said letter, received from Messrs. Hudson, Ormond, Spice & Symington, acting for R. T. Evans, Col. J. Y. Reid, R. R. Wilson, Andrew Kelly, C. Rice-Jones, and E. W. Kneeland, six separate letters. A letter was written on behalf of each of the said parties, and were as follows:

"Dear Sirs:—We have been consulted by Mr. R. T. Evans in respect of a letter written by your firm to him on the 27th inst.

"Our instructions are, as indeed appears by your own letter, that the statements of which you complain, do not purport to be issued by or under the authority of our client, and this is quite consistent with the fact that he was and is in no way responsible for their publication.

"If your clients question the truth of any statements that have been made and have been injured by publication of same, they must seek their remedy elsewhere. Yours truly,

Hudson, Ormond, Spice & Symington."

Mr. Alexander and his associated directors therefore declare that "it is clear that the members of the so-called advisory committee did not authorize the statements made in the prospectus and circular letter and were in no way parties to the sending out of these documents."

General Price Level Gradually Declining

The general level of prices, as shown by the Canadian Bank of Commerce index number, appears to be gradually declining, but this may be regarded as indicating a return to normal conditions rather than a movement towards further depression. The major downward swing which began in July, 1920, had by March of this year lost its momentum. It was made up of three minor swings: the first, of 13 months, representing the stage of acute deflation; the second, of 12 months, being a period of recovery leading to a few months of rising prices; the third, of 7 months, a steadying period with falling prices during the autumn of 1922, and rising prices during the spring of 1923. From July, 1920, to March, 1923, the general trend was decidedly downward, although each minor swing recorded towards its conclusion a natural reaction towards higher prices. From March onwards the course of prices has been one of barely perceptible decline, and this may be expected to continue until some new factor enters in, causing a distinct change from the present level of prices.

WON'T SCRAP PLANT

The plant of Nova Scotia Steel and Coal at Sydney mines, though closed at present, is not to be scrapped. Nothing definite is known as to when it will reopen.

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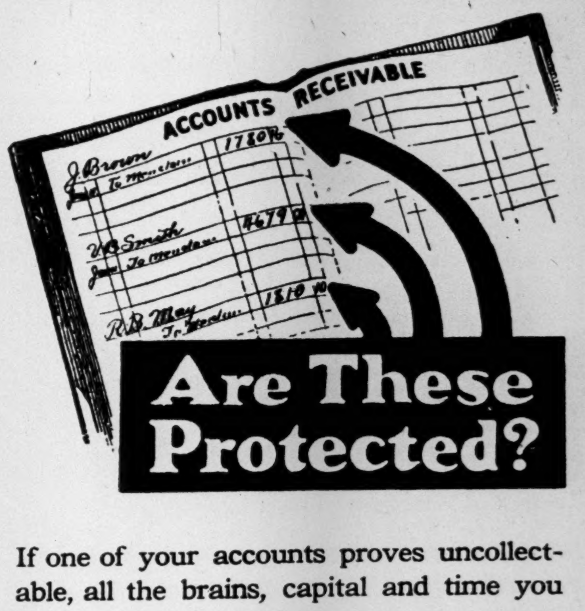

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News and Views for Investors

LAKE SUPERIOR SUBSIDIARIES

The subsidiaries of the Lake Superior Corporation for the first two months of the fiscal year show net earnings before bond interest of $541,825, which compares with $74,459 for the same period in 1922.

TORONTO RAILS

Toronto Rails was the most active of the larger stocks on the big exchanges during the past week. The sales involving around a quarter million dollars. The price of the issue is standing up fairly well, the expectation that the award dispute will soon be settled being now fairly general.

BARCELONA

Bracelona Traction, Light and Power Co. reports gross earnings at 3,826,083 pesetas and net at 2,234,243 pesetas for the month of August. Net shows an increase of 36,908, as compared with August, 1922. Aggregate gross earnings from January 1 at 33,106,982 pesetas compare with 29,822,896, and aggregate net earnings for the corresponding periods 18,497,638 and 18,011,547 pesetas, respectively, an increase in net of 486,091.

PRESSED METALS

Pressed Metals Co. of Canada are working three shifts a day on large bushing orders received from several motor car manufacturers, and earnings will run well in the neighborhood of $500,000 for 1923. For this reason there are those who feel the directors at the next meeting may give some consideration to arrears of dividends on preferred, which have been accumulating since December 1, 1920. The rate on preferred is 8 per cent. per annum.

AMES, HOLDEN

Ames, Holden Inc., is making progress. A steady increase in production has followed the launching of the manufacture of Goodrich Tires for Canada. Extra machinery that has been required has been financed on very favorable terms through the aid of the Goodrich Co. It is understood that the first mortgage bond interest is being earned with a fair margin. Before payments can be made on income bonds, however, the company, naturally, will have to set aside a substantial sum for depreciation and reserve.

AMERICAN CYANAMID

The heavy interest of the Virginia-Carolina Chemical Co. in American Cyanamid, Niagara Falls, has been sold for around $2,000,000. Canadian were formerly heavily interested in this concern, having held 65,943 common and 55,900 preferred shares. The price of the common about doubled in the past year to a present price of 73, with the preferred at 75. Dividends are $4 a share, while earnings are said to be about $25 a share.

MAPLE LEAF-OGILVIE

As Maple Leaf Milling makes a recovery it becomes the duty of Ogilvie to show a decline. These two issues have been see-sawing in this way for some time. On Sept. 17, Ogilvie sold up to a new high of 345 and since then trading in the issue has been neglected until this week when on Friday last 25 shares changed hands at 295, a falling off of 50 points from the last sale. Maple Leaf in the meantime has moved up 14½ points from 40 having been at a low of 37 just a few days previous.

OAK TIRE

Oak Tire & Rubber Co.'s past year should show a material improvement in the company's position. The fiscal year ended Sept. 30. A year ago the statement showed a deficit of $56,854. This caused a great deal of criticism, and in the end F. H. Law stepped out as managing director. A. S. Dickson, the new manager, launched a new policy, pared costs with the result that the year just concluded is expected to take care of a good portion of the 1922 deficit.

P. BURNS CO.

The P. Burns Co. has not made its 1923 annual report public. It is reported, however, that the year was satisfactory. The concern operates abattoirs, packing houses, yards, etc., for the manufacture and distribution of its products, and it also operates some 94 retail stores in important centres in Alberta and British Columbia. The retail branch of the business was particularly profitable last year. The company's bonds are widely held in this section of the Dominion.

B.C. FISHING

Indications are that B.C. Fishing & Packing will not suffer very material competition from Siberian salmon packers this year. The Japanese Government is taking 65 per cent. of the Siberian pack. The Siberian packers are the close competitors of the B.C. Fishing on the London market. The action of the Japanese will leave only a quarter of a million cases of the Siberian output for European consumption, and will thus clear the way for a ready market for the B.C. packs. B.C. Fishing usually exports about 825,000 cases yearly.

B. E. STEEL

The British Empire Steel Corporation has completed returns of production for the first nine months of the current year, and they show such substantial gains over the corresponding period of 1922, notwithstanding the drawbacks of labor troubles, that it must be evident that the demand for the company's products has undergone a marked revival. This is shown in the following comparative tonnage returns:

	—Nine Mos.— 1923	1922
Pig iron	193,072	63,127
Ingots	220,725	56,395
Blooms	191,885	55,520

CANADA BREAD

Canada Bread, common shareholders are again disappointed. Many thought there would be a common dividend declaration, although there was not quite so much speculating on this as was the case earlier in the year, as will be seen by the following price range as the different quarter periods approached: First quarter, stock started moving, Feb. 1; selling at 60, Feb. 2; high, March 9, 66¼; back below 60, Ap. 11. Second quarter, June 9, passed 60; high, 64, June 14; below 60 on June 21; Sept. 28, passed 60; high, 62, on 29th; below 60, Oct. 8. Cutting down the goodwill account was the goal set before common dividends are secured. It is believed that the present appraisal of the concern's properties will more than do this, leaving a material sum in cost for dividend consideration.

Laurentian Hydro Has Bond Issue On the Way

MONTREAL.—Financing has been arranged for the Laurentian Hydro Electric Limited. This company now has construction work under way at its plant. It was organized to harness the water power of the North River and supply towns and resorts in the Laurentians along the line of the C. P. R. and C. N. R. Laurentian divisions with power.

The 8 per cent. cumulative preferred issue, amounting to $125,000, has been sold to B. N. Rosenbaum, New York.

The $260,000 of first mortgage 6½ per cent. gold bonds, due 1933, have been sold to a financial house in Montreal.

Balfour-White Open Mining Department

MONTREAL.—The investment firm of Balfour, White & Company have completed arrangements for the establishment of a special mining department. During the past few years the mining industry of the country has shown marvellous expansion, and more and more the brokerage and investment houses of high standing have been requested by their clients to open departments to enable them to keep in touch with th movements in the leading mines of the Dominion. In addition to the special investment service, this mining department will have connected with it the services of expert engineers, headed by one of the foremost mining engineers of Canada.

Brazilian Earnings Materially Higher

Brazilians net earnings in milreis, for August, are 2,230,000 higher than a year ago, while the net earnings for the year are materially higher.

Gross earnings from operations total at 21,949,000 milreis, compared with 17,168,000 for the corresponding period of 1922, an increase of 4,781,000. Aggregate earnings for July of this year, the hitherto high record, stood at 21,300,000 milreis. Operating expenses for August at 8,695,000 compared with 6,144,000 milreis in August, 1922. Net earnings accordingly stand at 13,254,000 milreis, as compared with 11,024,000, an increase of 2,230,000 milreis. Aggregate gross earnings from January 1 to August 31 at 160,712,000 milreis compare with 126,338,000, a gain of 34,374,000, while aggregate net earnings for the two periods stand at 96,727,000 and 78,379,000 milreis, respectively, an increase of 18,348,000.

Monthly earnings over the past year compare as follows:

	Gross (milreis)	Net (milreis)	Net. Inc. (milreis)
Aug., 1922	17,168,000	11,024,000	1,585,000
Sept. . . .	17,572,000	11,584,000	2,950,000
Oct. . . .	18,231,000	11,900,000	2,739,000
Nov. . . .	17,735,000	11,240,000	2,420,000
Dec. . . .	17,873,000	11,403,000	2,049,000
Jan., 1923	18,658,000	11,027,000	2,231,000
Feb. . . .	17,743,000	10,722,000	2,362,000
Mar. . . .	19,475,000	11,811,000	2,514,000
April . . .	19,727,000	11,646,000	1,986,000
May . . .	20,990,000	12,706,000	2,511,000
June . . .	20,870,000	12,809,000	2,362,000
July . . .	21,300,000	12,852,000	2,152,000
Aug. . . .	21,949,000	13,254,000	2,230,000

MARKET SPOTTY WITH INDUSTRIALS AGAIN IN FRONT

Gains and Losses in Canadian Lists Are Equal

PAPERS WEAK

Gotham Has Come Back and Oils Have Gained—Fall Boom Yet to Appear

The market has been spotty during the past week, but was as strong as it was weak, and vice versa. The slight signs of strength in the industrial group, which has been manifest for some time now, became a little more pronounced, with the result that advances were scored by eight issues. Eleven were inactive, and five declined. The paper group was neglected and weak, while the tractions, facing a fair demand, with a somewhat barren market, showed a pretty general advance. Some of the textiles showed signs of strength, with the majority of the banks showing weakness under fair trading.

The figures by groups:

Group	Total	Gain	Loss	Unch'g'd
Paper..	9	2	6	1
Industrial ...	24	8	5	11
Traction	7	5	1	1
Utilities	12	4	2	6
Specialties ..	6	1	1	4
Steel	3	0	2	1
Textiles	8	3	0	5
Milling.	5	2	1	2
Banking	12	0	7	5
	—	—	—	—
	86	25	25	36

Opinion is divided on the future outlook. New York leadership has become so nervous that the Canadian lists have ceased trying to keep pace. This was especially true during the recent heavy decline. There are signs now that the recovery is due. The oils, which suffered heaviest in the break, have shown quite a bit of strength of late, and brokers are predicting that the market is going to steadily improve from now until Christmas holidays. The latest news seems to give no idea of the trend of affairs.

The threatened disturbance in the Balkans appears to have quieted down, and attention has been chiefly concentrated on internal dissension in Germany, which now bids fair to pass with no untoward consequences. The expected fall boom in trade has not materialized. If such was in the making it is evidently being retarded by the unseasonable weather.

TORONTO.—Special issues, subject of favorable news, provided the leadership of the week. Toronto rails, with over 2,500 shares changing hands, was undoubtedly the leader in volume among the larger stocks. Some of the textiles, notably Penman's, was to the fore, as was also Canadian General Electric, Canada Salt. The street showed its confidence in Maple Leaf by a material rise in both the common and preferred.

Bell Co. Makes Changes For Better Efficiency

To secure greater efficiency in the administration and management, it has been decided to operate the territory with five Divisions and twenty-four Districts, as follows:—

Eastern Division—Headquarters Montreal, comprises the following districts: Quebec, Three Rivers, Sherbrooke, St. Lambert, Lachine, Ottawa, Brockville, Belleville and Smiths Falls.

Montreal Division — Headquarters Montreal, comprises the city of Montreal and a few adjacent exchanges.

Central Division—Headquarters Toronto, comprises the following districts: Oshawa, Peterboro, Barrie, Orillia, Sudbury, Weston, Owen Sound, Hamilton and St. Catharines.

Toronto Division—Headquarters Toronto, The city of Toronto.

Western Division—Headquarters London, comprises the following districts: Brantford, Kitchener, London, Stratford, Chatham and Windsor.

As a result several new offices have been created. They are:—

The divisions and districts will be coextensive for the commercial, plant and traffic departments.

W. H. Winter, general plant manager; P. A. McFarlane, general commercial manager; J. H. Brace, general traffic manager; J. E. Macpherson, executive assistant, with headquarters at Ottawa.

C. N. R. EARNINGS DOWN

MONTREAL.—The gross earnings of the Canadian National Railways for the week ending September 30, 1923, were $7,254,952, being a decrease of $97,464, as compared with the corresponding period of 1922. The gross earnings of the Canadian National Railways from January 1 to September 30, 1923, have been $181,558,228.49, being an increase of $17,175,882.62, as compared with the corresponding period of 1922.

HYDRO COMMISSION CHARGES AS IT WILL

Toronto is Becoming Alarmed at Frequent Increases in Rates Which are Retroactive

Rates to the ordinary Hydro consumers of Toronto were increased in August of 1920. Rates to the civic waterworks as a Hydro consumer were also increased on that date, and five times since, the latest increase being retroactive to July 1, 1923. The fixed charge of $36,000 has remained unchanged during these years, but the additional off-peak rate has been increased 33 per cent. and the on-peak rate 65 per cent.

Still another local increase is in street lighting—$1 per lamp, retroactive to January 1.

The rate-fixing body for all Hydro municipalities is the provincial Hydro commission. The rate increases in Toronto were concurred in, and indeed may have been recommended by, the local Hydro commission.

The Toronto Star says editorially:

> But the local commission would probably plead that it was forced into making these increases in rate by circumstances over which it has no control. The commissioners would likely say that they have simply been passing on to the consumer a charge which the provincial commission first passed on to them. The local commission buys its power from the provincial commission, but has no say in the amount which it is charged for that power. Not only does the provincial body fix the rate, but it fixes it some months after the year is over and the books closed. It then imposes what is called a "thirteenth" charge, retroactive to the previous year. The Toronto commission is therefore in the position of selling its power to the consumer and closing up its books for the twelve months without even knowing what its power for that year is to cost it.

Canadian Offering of New Illinois Power

From Our Own Correspondent.

MONTREAL.—Nesbitt, Thomson and Company, who some time ago participated in the bond financing of the newly organized Illinois Power and Light Corporation, which took over the properties of Illinois Traction and some other groups, are again offering securities of that company—in the shape of $1,000,000 of the 7% cumulative preferred stock. This is the issue into which the old Illinois Traction 6 per cent. preferred is transferable. The stock is being offered at the market which is around 92½ bringing the yield to over 7½ per cent.

A consolidated statement of earnings for the twelve months ended July 31, 1923, has been issued in connection with the issue. It shows:

Gross earnings	$26,973,032
Operating expenses, maintenance and taxes	18,422,770
Net earnings	8,550,262
Annual interest on total outstanding funded debt	4,492,829
Balance for dividends and amortization	4,057,433
Annual dividend requirements on 7% cumulative preferred stock	1,255,828
Balance	$ 2,801,605

About 70% of the net earnings are derived from power and light.

NICKEL DIVIDEND

International Nickel has declared the regular quarterly dividend of $1.50 a share, payable Nov. 1, to shareholders of record Oct. 11.

Safeguard Your Investments

The safe keeping of your certificates is of prime importance, but it is more important still to know their value. Lost certificates may be replaced, but a lost opportunity to take a profit is gone for all time.

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Montreal Hamilton
London, Ont. Winnipeg
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PROVINCE OF ONTARIO
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(*NON-CALLABLE*)

Dated 15th October, 1923 *Due 15th October, 1948*

Principal and half-yearly interest coupons (15th April and October) payable in gold coin of lawful money of Canada at the office of the Provincial Treasurer in the City of Toronto, at the Canadian Bank of Commerce in Montreal, Winnipeg or Vancouver, at the option of the holder.

Bonds may be registered as to principal.

Denominations: $500, $1,000.

Subject to Legal Opinion of E. G. Long, Esq., K.C.

These bonds and the interest thereon are a direct and primary obligation of the Province of Ontario and a charge upon the Consolidated Revenue Fund of the Province.

Financially and commercially, Ontario is Canada's leading Province. Its population is more than one-third and its annual production of agricultural, manufactured and mineral products over 45 per cent. of that of the entire Dominion, the average annual production for the last five years for which figures are available being over $2,400,000,000.

Price: 98 and interest yielding 5.14%

These bonds are offered for delivery in interim form on or about November 1st, when, as, and if issued and delivered to us.

Orders may be telephoned or telegraphed to any of our offices at our expense. Securities will be delivered to purchasers free of all delivery charges.

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Aemilius Jarvis & Company Limited **R. A. Daly & Company**
Matthews & Company, Ltd. **McLeod, Young, Weir & Co. Limited**
Gairdner, Clarke & Company **National City Company, Ltd.**
Hanson Brothers **Harris, Forbes & Company, Ltd.**

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THREE DRILLING OPERATIONS

Both the Wright-Hargreaves and the Sylvanite Mines, adjoining one another in Kirkland Lake, are diamond drilling. O'Brien interests are diamond drilling a group of claims recently optioned in Porcupine.

GOUDREAU CLOSED DOWN

Because of lack of finances the Goudreau Gold Mine has been closed down. A couple of Toronto houses have for some time been considering the underwriting of a block of this stock, but seemingly their negotiations got nowhere. Salesmen have been placing the stock of late at $1.00 per share.

BRITISH EMPIRE STEEL WILL HAVE A BETTER REPORT

Company's Figures Show Larger Production This Year

LOOKS FOR HEAD?

New President May be Chosen From Among Active Operating Steel Men of States

From Our Own Correspondent

MONTREAL.—The president of British Empire Steel Corporation, Roy M. Wolvin, left this week for another trip to the Sydney plants and properties of the organization, accompanied by a small group of American steel men. Included in the party was George F. Downs, the newly-elected director from the Lackawanna Steel Company. The frequent trips of Mr. Wolvin to the company's plant, accompanied by important steel operators, leads to the conclusion that an attempt is being made to strengthen the board of directors by the addition of operators of known experience and ability and from among the new directors may be chosen a new president, or, at least, a new active operating head to succeed D. H. McDougall, the vice-president and operating head of the company, who recently resigned.

It is recognized that a resident operating president in Nova Scotia would be the best method of control of the company's activities, and it is more than likely that the present president, Mr. Wolvin, would be willing to resign the honor of his title to a resident production man if one could be found and placed in charge. This would leave the general executive and financial control in Montreal where the operating control now rests as well. Mr. Wolvin might remain as chairman of the board.

Year's Operations Better

British Empire Steel has had a much improved year, despite the strike that tied up production and let the company in for a loss of between $900,000 and $1,000,000. This is seen in some figures of increased production in certain of the company's lines. These figures are as follows:

Figures in Gross Tons

	Nine Months 1923	1922
Coal	3,924,630	2,838,180
Pig iron	193,072	63,127
Ingots	220,725	56,395
Blooms	191,885	55,520

Not all of the company's wide variety of products are shown, as competition is keen among Canadian steel companies, and the management of British Empire has been reticent about divulging records of its production and sales.

Earnings are Increased

The net result of the year's operations is likely to be an increase of about $2,500,000 in earnings. That is in actual earnings and forgetting the $4,000,000 of special income the corporation took into its figures last year on account of a payment from the Dominion government for damages in connection with the cancellation of a contract to supply ship plates. With such an increase in earnings the company could increase the write-off for depreciation to around $2,000,000, and just about earn the preferred dividends. It would leave nothing for the common, but, nevertheless, the improvement would be distinct for a close figuring of the last year's earnings without allowance for the special sum of $4,000,000 indicates that the prefererd dividends were far from earned.

German Business Lost

One source of keen disappointment to the corporation has been the loss of the German trade in iron ore from Wabana. The occupation of the Ruhr with its consequent closing down of factories and its injection of an hazardous element in the credit situation in respect of these shipments cut off what was becoming a very profitable market and one that was counted on to produce about $500,000 clear profit for the corporation this year.

This lost business has been compensated for in some degree by new business gained elsewhere. Iron ore has been shipped to Wales this year for the first time since before the war. Shipments have also been made to the United States, also the first since before the war. In the finished steel products of the company the Japanese business, following upon the earthquake in those islands, and the tremendous need for new construction, has been of value, and before the end of November at least three vessels will have sailed for Japan from the company's plants.

Mineral and Soft Drink Taxes Being Disputed

The province of Alberta is having difficulty in collecting the amount of taxes expected this year.

While the present year will probably yield sufficiently from the regular channels of taxation to reach the year's estimates submitted to the legislature last spring, the mineral tax and soft drinks tax in particular will return only an insignificant sum to the government in place of the $350,000 expected from these two sources, and the slot machines tax which was estimated worth $105,000 to the treasury annually is also likely to fall short.

Legal battles are waging over both the mineral and soft drink taxes those assessed claiming that the legislation is beyond the powers of the province.

LICENSING SALESMEN MIGHT PREVENT THIS

A strong argument in favor of the licensing of stock salesmen is the case of a London, Ont., salesman held in Sarnia on a charge of selling stock called "The Galt Shoe Mfg. Co." to Indians of Sarnia reserve last fall and failing to deliver the shares. The sales were made at a time when the Indians were flush with cash, they having just received payment for their land sold to Dominion Alloy Steel. It has taken the police ever since to locate the salesman.

Cape Breton Strikeless For Quarter Century

From Our Own Correspondent.

MONTREAL.—That the strikes in Cape Breton have been somewhat over-emphasized is the opinion one reads into a comment on the situation in the Maritime Mining Record, which is published on the ground. The Record denies the implication that strikes in the plants of the British Empire Steel Corporation have been almost continuous, and says:

"In former days it was frequently said of New Zealand that it was 'a land without strikes.' Until the coming of the 'reds,' who invaded the province some fourteen years ago, a similar thing might have been said of the Island of Cape Breton. From 1883 until 1908, a period of a quarter of a century, while there may have been an occasional one day strike of uncontrollable boys, or ungovernable men, there was no strike worthy of the name until 1909, and that was occasioned by a fight for mastery between two rival labor organizations. The Dominion Coal Co. was implicated only to the extent that it refused to grant the 'check-off' to the U.M.W. invaders. The then president of Dominion Steel and Coal getting tired of lessened outputs agreed to collect U.M.W. dues. From the settlement until after the war matters went on fairly well. The company could not afford to continue paying war rates, and there followed protests from the men and requests for arbitration boards. There was a strike of two or three weeks' duration in 1922. The strike was caused by the demand of the men for payment of the 1921 rate. The strike was not prolonged. The strike of colliery workers this year was not over wages or conditions at the mines, but was a sympathetic one, which while having the support of the 'reds' and their leaders, was not favored by District 26 as a whole, and a return to work followed Pres. Lewis' ultimatum."

BRADSHAW FOUND THINGS BETTER THAN EXPECTED

(Continued from page 1)

business conditions throughout the country, but there is no very marked improvement and buying continues on a hand-to-mouth basis. The developments in the banking world have been a disturbing factor and it seems evident that public confidence has not yet been entirely restored. The strength of the Canadian dollar in the United States is an indication of the importance of the crop in strengthening Canada's international credit position.

Reports regarding business conditions in the United States, which have an important influence in this country, are conflicting. In the steel industry there is a declining demand and the action of the stock market indicates that there is a lack of confidence in the maintenance of business on its present scale for any considerable period. On the other hand there are indications that in the building industry, where the first break was noted some months ago, things are picking up. It is considered that material prices and wage levels have become more or less stabilized now and it is expected that the demand for new building, which has been as yet by no means satisfied, will assure reasonable activity for some time to come. As compared with previous years, the volume of trade throughout the United States is regarded as very satisfactory, although there has been a recession from the high level of activity of the spring.

OPTIMISTIC OVER PROSPECTS OF OIL IN PEACE RIVER

Two Wells Are at the Point Where Results Will Soon Be Known

EDMONTON.—Considerable optimism is expressed over the possibilities of the Peace River, Alberta, area bringing an oil well into production in the not distant future. From reliable sources the information comes that this optimism has considerable justification.

There are three operations. Keystone Oil, Victory, and Williams. It is a question of the latter two, as to which is the most advanced. Both are at a stage where it should not take long to prove or disprove the wells. The Williams enterprise is pushing ahead with a gang of 17 men, and working day and night. The Victory well has been capped for a considerable time. The Victory company has just secured the services of an expert in casing setting and have placed a petroleum engineer in charge. Gas, encountered some time ago, is coming through a column of 1,500 feet of water, and is showing a gallon of gasoline to the 1,000 feet of gas. It is estimated that the gas flow from the well will be ten million cubic feet, which would provide a fair revenue alone. Operations on this well have not progressed of late, as the management states that it was desired to first make sure that when the well was bailed down and the sand that was giving such splendid results opened up they would be able to control it.

The Williams operation is down the river a few miles from the Keystone, and it is stated that the head of the company is predicting oil in ten days after the 4½-inch casing is put down. Since the last of the material arrived, night and day shifts have been going.

The main interest in these two districts, however, centres around the fact that the Victory well is in the centre of the holdings of the old Peace River Petroleums, now the Keystone, while the Williams operations are just to the south of these holdings. The Keystone was organized by John Laycock, of Saskatoon, who also controls the Victory Company. For the latter he raised just enough funds to put down the well. The land for this he leased from Peace River Petroleums. When the latter passed out he secured their old leases and holdings, and organized the Keystone. To these leases he added others, making a tremendous holding. In a circular, sent out recently to Peace River shareholders, he points out that in addition to the assets of Peace River Petroleums, Ltd., involving some 48,000 acres of leases, drilling machinery, equipment, real estate, buildings, etc., with a book value of around $75,000, Keystone owns 1,000 acres of the leases in the Peace River field, and a one-eighth royalty on 1,187 acres. It also owns 30,000 shares (par value $1) of the stock of the Albersas Oil Co. (Peace River) Ltd. The latter company is the largest shareholder in the Victory Oil Co., and also owns considerable well placed acreage and a complete standard drilling outfit and casing valued at $25,000.

Amongst the assets taken over from Peace River Petroleums, Ltd., is a royalty agreement on the 1,310 acres on which the Victory well is being drilled. Keystone will receive one eighth of all the oil or gas produced in the Victory well, and from all other wells drilled on the aforementioned 1,310 acres.

Keystone was incorporated to function in the nature of a holding company until such time as one of the wells now being drilled by other companies proved successful. When this happens a drilling campaign can be undertaken.

C. P. R. IN SEPTEMBER

C. P. R. September earnings totalled $6,365,000, compared with $6,311,000 in 1922, an increase of $54,000. The miles operated totalled 13,536.

FOR SALE

TO CLOSE out an Estate, the undersigned has been instructed to offer for sale four substantial revenue bearing business blocks in the City of Saskatoon. The properties are located in the heart of the retail business district and they will be offered at exceptionally low prices. Full particulars upon application by bona-fide investors

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In consideration of these Benefits, the Member pays the Order premiums for not longer than twenty years. Premium payments cease upon the Member becoming totally and permanently disabled before the expiration of the twenty years.

If a Member desires to sever his connection with the Order, he will be given a liberal cash withdrawal value under this form of Certificate.

This Certificate cannot lapse for non-payment of any premium due so long as there is a sufficient withdrawal value to meet the unpaid premium. The Order will automatically advance the unpaid premium as a loan on the Certificate and thus keep the Certificate in force for as long a period as possible.

Membership in the Order, over and above the Benefits of its Life Insurance, is full partnership in the Social, Fraternal and Benevolent activities of a *Live* Fraternity. Prominent among these features of the Order are the Foresters' Orphanage at Oakville, Ont., and Sanatoria at Rainbow Lake, in Adirondacks, N.Y., and at Lopez Canyon, Cal.

If you would like to have details of the many benefits of Life Insurance and Fraternity, write—Head Office, Independent Order of Foresters, Toronto, Canada.

INDEPENDENT ORDER OF FORESTERS
8

STOCK MOVEMENTS OF THE WEEK

Week Ending Oct. 9

	Div. Rate	Ask	Bid	High	Low	Close	Sales
Banks—							
Commerce	12	187½	—	190	189	188	223
Dominion	12	185	184½	185	—	184½	19
Hamilton	12	188	—	184½	182¾	184	136
Hochelaga	10	—	144	144	—	144	1
Imperial	12	175	—	178	174	175	51
Molsons	12	—	158	160	158½	158½	94
Montreal	12	230	—	230½	228	230½	108
Nova Scotia	16	—	254	255¾	253¼	254	87
Royal	12	218	217	218	217½	216½	289
Standard	12	—	170	170	—	170	164
Toronto	12	181	180	180	—	180	63
Union	8	—	107	107	—	107	137
Industrials, Utilities, Etc.—							
Abitibi, com.	4	63	62½	65	63	63½	1018
Amer. Salesbook, com.	4	—	40	40	39½	40	71
Do., pref.	—	88	87	88⅞	87⅜	88	90
Asbestos Corp., com.	6	—	44½	45½	44½	44⅞	160
Do., pref.	—	73	70	71	—	71	15
Atlantic Sugar, com.	—	17½	15½	16¾	—	16	297
Barcelona Traction	—	18	16½	17¼	—	17¼	50
Bell Telephone	8	124½	124	124⅞	123	124½	594
B. C. Fishing	—	15	—	14¾	14¾	—	10
Brazilian Traction	4	43½	43	43¼	42¼	43¼	1080
B. E. Steel, com.	—	6	5	6½	5⅛	5⅝	800
Do., 1st. pref.	7	61½	60½	61½	60½	61½	530
Do., 2nd pref.	—	17	16½	17¾	16½	17	1143
Brompton Pulp	—	42	41	42	40¾	41¼	1327
Burt, F. N., com.	10	—	128	129	128⅞	128	45
Canada Bread, com.	—	61	60½	62	57	61	756
Do., pref.	7	—	92½	92½	91	92½	68
Canada Car & Foundry, pref.	—	69¾	68¾	71	—	69¾	365
Canada Cement, com.	6	85	84	84½	84	84½	420
Do., pref.	7	—	103	104	102¾	104	110
Canada Steamships, com.	—	13½	13	14	—	14	55
Do., pref.	—	49	48¾	49½	49	49	1008
Can. Consol. Rubber, com.	—	—	—	70	—	70	5
Can. Converters	7	90	—	89	—	89	5
Do., pref.	—	—	—	88	84¾	85	333
Can. General Electric, com.	6	105½	104¾	105½	102	105½	1751
Can. Pacific Railway	10	147½	146½	149	147	148	179
Canadian Salt	8	—	—	112	—	112	183
City Dairy, com.	—	150	149	150	—	150	50
Do., pref.	—	104	102	102	—	102	38
Consumers Gas	10	—	158	159	157	158	63
Cuban Can. Sugar, com.	—	—	—	6	—	6	25
Detroit United Rly	6	70	68½	69	—	68½	148
Dominion Bridge	4	—	—	65½	64	65½	65
Dominion Canners, com.	—	29	—	27	—	27	5
Dominion Glass, com.	7	—	—	94	—	94	200
Do., pref.	—	—	—	115	—	115	20
Dominion Coal, pref.	7	—	—	83	—	83	55
Dominion Iron, pref.	7	69	68	68	—	68	5
Dom. Steel Corp., pref.	6	—	—	73½	—	73½	84
Dominion Telegraph	—	44	43	43	—	43	9
Dom. Textile, com.	4	—	—	66	65½	65½	245
Do., pref.	7	—	—	103	—	103	1
Duluth Superior	—	41	40	41½	40½	41	208
Davies, Wm. (A)	—	27	—	24	—	24	100
Goodyear Tire, pref.	—	80	—	80	—	80	20
Illinois Traction, com.	—	—	—	52½	—	52½	205
Do., pref.	6	92½	91½	92½	—	92½	120
Lake of Woods Milling, com.	12	172	167	170	169⅞	170	105
Do., pref.	—	118	115	118	115¼	115¼	62
Laurentide Paper	6	93½	92½	93⅜	92¾	93	198
Lyall Construction	—	—	—	20¼	—	20¼	15
Mackay, com.	7	113	112	113	111	112	180
Do., pref.	4	67	66½	67	66	67	292
Maple Leaf Milling, com.	8	—	54	54½	41	54½	345
Do., pref.	7	85	83	83	76¼	83	78
Montreal Cottons, pref.	—	—	—	106	—	105	35
Montreal Light, Heat, Cons.	6	—	—	130	129½	130	1619
Montreal Telegraph	—	—	—	57¼	—	57¼	30
Montreal Tramways	—	—	—	146	—	146	5
National Breweries, com.	4	—	—	54	53½	53½	1360
Do., pref.	—	—	—	95	—	95	10
Ogilvie Flour, com.	—	—	—	295	—	295	25
Do., pref.	—	—	—	116	—	116	15
Ottawa Light, Heat	6	—	—	81¼	—	81	141
Pacific Burt, com.	6	98½	95	98	—	98	25
Do., pref.	7	102	98	100	—	100	25
Penmans, com.	—	150	145	150	145	150	170
Port Hope Sanitary, com.	—	50	49	50	—	50	30
Price Bros.	2	—	—	42½	—	41	66
Quebec Railway	—	—	—	16	—	16	60
Shawinigan Water & Power	7	—	—	118	—	117	286
Sherwin Williams, com.	6	—	—	108	—	108	5
Do., pref.	7	—	—	100½	—	100½	46
Spanish River Pulp, com.	7	88¼	87¼	91	88½	87⅛	755
Do., pref.	7	99¾	98¼	101¾	100¼	98½	488
Smith, Howard, Paper, com.	6	—	—	71	—	71	25
Do., pref.	8	—	—	202	201	202	10
Steel of Canada, com.	7	67¼	65¾	70	68½	66½	403
Do., pref.	7	97¼	—	99⅜	—	97	105
St. Lawrence Flour, com.	6	—	—	56	52½	56	496
Toronto Railway	—	85	84½	87	84½	85½	2535
Tuckett Tobacco, com.	4	—	—	50	—	50	185
Do., pref.	7	—	—	89	—	89	45
Twin City, com.	6	—	—	68	66	66½	70
Wabasso Cotton	—	—	—	70	—	70	25
Wayagamack	—	—	—	40	—	38½	165
Winnipeg Electric, com.	—	—	—	29¼	27	28½	262
Do., pref.	7	—	—	83	—	83	82

HOME BANK AND INTERLOCKING DIRECTORIES

Name of President Daly On a Number of Boards

OTHER DIRECTORS TOO

Records Show Some of the Links in a Chain Connecting Various Industrial and Financial Enterprises

The interlocking of directorates of various concerns which had credit advances from the Home Bank makes an interesting study for the business and financial community. The name of H. J. Daly, the president of the bank, occurs frequently throughout the boards of the following companies, while the names of other directors are also in evidence. It seems apparent also that with a number of the companies the directors named are "dummies," and the men behind were probably closely associated with the bank.

King Shoe Company

The King Shoe Company, Ltd., with a capital stock of $100,000, and headquarters at Owen Sound. Directors at the time of incorporation were: John S. King, William F. Marquardt, manufacturers; Franklin W. Wegenast, barrister; Imogen Coleman and Hannah Bowden, stenographers; all of Toronto. Out of business since 1919. Directors prior to that were: J. S. King, Owen Sound; B. Corbit, Toronto; and F. W. Wegenast, Toronto. Thee is a bond issue of $300,000 all held as collateral by a bank.

James A. Ogilvy's, ltd.

The James A. Ogilvy's, Ltd., with a capital stock of $750,000, and headquarters at Montreal. Directors at incorporation: James E. Day and Jos. P. Walsh, barristers; Chas. J. McLaughlin and B. H. Furlong, students at law. By supplementary letters patent, stock was increased to $1,500,000. Directors in 1923: H. J. Daly, Toronto; R. P. Gough, Toronto; P. C. R. Travers, Montreal; John Ogilvy, Montreal; J. F. M. Stewart, Toronto; T. S. O'Connor, Toronto. Sold $750,000 of common stock shares.

British and Colonial Land

The British and Colonial Land and Securities Company, Ltd., with capitalization of $10,000,000, and headquarters at Toronto. Incorporators were: James S. Lovell, Charles D. McGee, acountants; William Bain, bookkeeper; Robert Gowans and Jos. Ellis, solicitors' clerks. Directors in 1923 were: Sir Henry Pellatt, Toronto; Kenneth F. MacLaren, Toronto; Sir John Gibson, Hamilton; W. B. Stirrup, Toronto; Craig McKey, Hamilton; H. D. Scully, Toronto, and Paul Warde, Toronto. An issue of common stock of $1,150,800.

Elgin Development Co.

The Elgin Development Land and Securities Company, Ltd., with capitalization of $50,000 and headquarters at Toronto. Incorporators were: James S. Lovell and Ernest H. Stewart, accountants: Robert Gowans and J. J. Dashwood, solicitors' clerks. No returns have been made by this company, but demand is being made for it.

Port McNeill Timber Company, Ltd., with capital stock of 1,000 shares of no nominal or par value, and headquarters at Toronto. Incorporators were: J. A. Kent, accountant; Guy M. Jarvis, Geoffrey S. O'Brien and Ewart R. Lynch, barristers-at-law, all of Toronto. No returns have been received from this company since incorporation.

The Howe Sound Pulp and Paper Company, Ltd., with capitalization of 1,000 shares, no nominal or par value, and headquarters at Toronto. Incorporators same as Port McNeill Timber Company. No returns have been received from this company since incorporation.

British Dominion Corporation

British Dominion Holding Investment Corporation, Limited, with headquarters at Toronto and capitalization of $250,000. Incorporators: Albert E. Knox, Edward L. Middleton and George Keogh, barristers; Walter Shinnick, student-at-law. Letters were written by Secretary of States Department to Foy and Knox, barristers, Toronto, on April 21, 1922, September 28, 1922, and December 23, 1922, but no returns have been made by this company.

Canadian Debentures Corporation

Canadian Debentures Corporation, Ltd., with headquarters at Toronto, and capitalization of $250,000. Incorporators: W. J. Green and Jos. Hobson, brokers; David Crooks and S. H. Bradford, barristers, all of Toronto. On October 20, 1920, capital stock was increased to $500,000. Directors in 1923 were: H. J. Daly, Toronto, president; William R. Fleming, Toronto, vice-president; and Murray G. Gordon, treasurer. Issued $250,000 each preferred and common stock.

London Canadian Corporation

London Canadian Corporation, Ltd., with headquarters at Toronto, and capitalization of $1,000,000. Incorporators: Edward A. Richardson and Thomas L. Robinette, student-at-law, etc., of Toronto. Directors in 1923 were H. J. Daly, C. H. Easson, J. C. Mason and K. F. MacLaren, all of Toronto. Issued $25,000 of common stock.

Manufacturers' Holding Company

The Manufacturers' Holding and Investment Company, Limited, with a capitalization of $2,000,000 and headquarters at Toronto. Incorporators were: Thomas N. Phelan and John M. Godfrey, James E. Lawson and John E. Corcoran, barristers, and John D. Speller, student-at-law, all of Toronto. No revised return made this year. Directors are H. J. Daly, K. F. MacLaren, T. S. O'Connor, Paul Warde and T. N. Phelan, K.C., all of Toronto. Issued $1,000,000 of common stock.

Arnprior Cabinet Company

The Arnprior Cabinet Company, Ltd., was incorporated on September 19, 1917, with a capitalization of $100,000 and head office in Arnprior. According to returns submitted December 11, 1922, the directors of the company are: T. S. O'Connor, Toronto, president; R. J. Simpson, Arnprior, vice-president; R. H. Meagher, Arnprior, secretary-treasurer. Included in the list of shareholders are Herbert J. Daly, Toronto, $54,600; M. J. Haney, Toronto, $20,000; Fred Patterson, Dayton, Ohio, $25,000, and the directors $100 each. In 1918, H. J. Daly was named as president of this company.

Dominion Industries

Dominion Industries, Ltd., was placed in voluntary liquidation in London, England, on April 15, 1921, according to an affidavit by Kenneth F. MacLaren, of Toronto, who was one of the directors of the company.

With the exception of Herbert J. Daly, all the other shareholders are residents of England. The company has no assets or liabilities in Ontario, and the charter is at present in the Old Country. According to the last return filed in 1920, Arthur H. Greening, of London, was president; H. Menaco, London, secretary, and K. F. MacLaren, 36 King Street, East, Toronto, attorney for service in Ontario.

Toronto City Estates

Toronto City Estates, Ltd., was issued letters patent August 3, 1911, to engage in the real estate business with a capitalization of $8,000,000, and head office at 244 Bay street, Toronto. According to the returns filed December 31, 1922, the directors of the company were: Kenneth F. MacLaren, president; Herbert E. Rooney, secretary; H. A. Colson, H. D. Scully, R. G. O. Thompson and W. B. Stirrup, all of Toronto. Value of real estate owned at that time was put down at $2,072,202. In the 1921 return Sir Henry M. Pellatt is named as president, and Paul Warde as secretary, and Sir John M. Gibson, as a director. Under the original incorporation the capitalization was $4,000,000, made up of 600,000 shares of $5 each. In 1916 the capital was increased to $5,000,000.

Col. J. Cooper Mason held 315 shares of the stock, and the British and Colonial Land Securities Company 3,000 shares in 1914. Other large shareholders, according to the 1922 returns are Jas. W. Baillie and Co., Toronto, 1,000 preferred shares; Brig.-Gen. Sir Henry Pellatt, 5,172 preferred and 4,606 common; Pellatt and Pellatt, 3,685 preferred and 420 common, and Frederick B. Robins, 6,301 preferred and 4,543 common.

The Daly Company

The Daly Company, Limited, came into being on April 15, 1919, with a capitalization of $500,000, for the purpose of operating department stores, with head office in Toronto. According to the returns of Dec. 31, 1922, the directors were: Herbert J. Daly, president; A. C. Glennie, Ottawa, secretary-treasurer; T. S. O'Connor, Geo. D. Kelley and Mrs. H. J. Daly. The directors are the only names appearing on the list of shareholders. In 1921, W. P. Grant substituted T. S. O'Connor as director. Mr. Daly held 4,996 shares of the company and the others one each.

MANY ORDERS FOR FLOUR BECAUSE OF LOW WHEAT PRICE

Western Canada Co. Profits Slightly Lower This Year

Western Canada Flour Mills earned a profit slightly under 1922, according to the report just issued. The figures are: 1923, $309,140, and 1922, $318,125. Thus, for the year, all interest and dividend needs were fully taken care of, and $24,453 added to surplus, which now stands at $234,121, as compared with 219,668 at the end of 1922.

During the year the company enjoyed a much larger volume of business, but the condition of the industry, especially the close competition reduced prices, and thus cut down the profit. Pres. A. Kelly points out that they were well able to maintain their trade connections both in Canada and foreign. The shipments of flour in the year constituted a record, he said, exceeding even the war time figures.

The profit and loss account follows:

	1922	1923
Balance Fwd.	$202,103	$219,668
Net Profit	318,125	309,140
Total	520,228	528,809
Bond Int.	70,560	64,688
Dividends	230,000	230,000
Surplus	$219,668	$234,121

Discussing the Western crop now being harvested Pres. Kelly said that while it was estimated to be the greatest yet, in the matter of volume, reports would appear to indicate a lowering of grade as compared with 1922. Wheat prices are low, and this has increased the flour demand, with the result that the company's mills have orders sufficient to keep them running for some time.

The balance sheet indicates that the company has maintained its liquid position. Current assets standing at $1,992,688, as compared with $2,167,092 for the previous year. Current liabilities at $1,007,606 compare with $1,144,007. Inventories are slightly higher at $1,576,221, as against $1,511,919. Accounts and bills receivable are reduced from $442,307 to $285,632. Patents, goodwill and trade marks are carried at $1.

Higher Oil Prices Are Predicted For Winter

The prediction is made by the American Oil Men's Association that gasoline prices will be higher in the winter, and still higher in the spring. Three reasons are advanced:

By February 1 the production of oil will be 500,000 barrels a day lower than it is this fall.

The present surplus stocks of oil will be wiped out by the end of 1924 unless there is a quick change in the situation.

The majority of small, independent producers of oil, whose surplus production tends to keep prices down, will be bankrupt and out of business by winter if the depression in the oil industry continues.

E. W. Marland, Marland Oil, says that independent oil concerns lost $500,000,000 in the year. They spent much more drilling wells than they received from oil sales. Many are already bankrupt.

FORD PROFITS WERE SLIGHTLY HIGHER; CUT IN DIVIDEND

Shareholders Only Received Half the Total of 1922

The increased output of the Ford of Canada plant resulted in a greater profit being made during the past year, despite the cut in prices. Profits totalled $5,106,197, as compared with $5,006,521 in 1922. During the year there was one dividend disbursement amounting to $1,050,000, and the balance, $4,086,198 added to surplus account leaves a total of $16,594,170, as compared with $12,537,972 at the end of 1922.

There has been considerable criticism of the company of late because but one dividend was paid, making the disbursement to shareholders just half what it was in 1922. The claims made, that earnings were equal to last year, are supported by the report just issued. It is rumored that many of the Detroit shareholders have disposed of their holdings on the market.

Total income for the year was $38,556,182, or just $9,282,928 higher than 1922. This is the result of the higher production. The output was 70,328 cars, and 3,935 tractors, as compared with 45,000 cars and 1,192 tractors in 1922.

The report points out that the construction work on the new plants at Ford and Toronto was commenced in November last, and the several units are now in various stages of completion, the anticipated completion date being January 1, 1924. Based on contracts awarded and orders placed, it is estimated that a further expenditure of approximately $4,850,000 will be necessary to complete the construction program. The book value of plant indicates an increase of $5,548,364 during the year.

Balance sheet shows cash on hand at $6,099,890, compared with $6,147,715. Accounts receivable have been increased from $1,017,192 to $1,773,945. Inventories at $6,481,864 compare with $4,560,908. Patents are carried at $1. A heavy increase in accounts payable is shown at $4,716,866, as compared with $2,028,551, the increase being accounted for by expenditures incurred on account of new construction. Reserves now total $4,660,866, as against $4,040,922. Investments, which total $3,000,000, consist of Dominion of Canada government bonds.

The profit and loss account:

	1923	1922
Surplus forward	$12,537,972	$ 9,518,934
Profits	5,106,197	5,006,521
Shipping space res.	......	133,143
	$17,644,170	$14,658,599
Dividends	1,050,000	2,100,000
Tax adjustment	......	20,627
Surplus	$16,594,170	$12,537,972

FINDS ANTAGONISM TO EAST'S CONTROL

Western Hotelman Has Idea to Bring About Change of Attitude

It is extraordinary in this country how the spirit has built up a kind of antagonism displayed by the general public towards the financial control of the West being maintained in the East, and yet when one tries to get down to the bottom of it, it is found there is really nothing definite at all, and no one single person seems to be able to back up what has been created, writes R. H. Webb, manager, Marlborough Hotel, Winnipeg. Coordinating the East and West he considers highly desirable.

"The West seems to think, and particularly Winnipeg, that it alone is going through hard times, and that the East is having, and has had a period of prosperity, whereas, when it is quietly talked over and the facts brought out, it will show that this is not the case, because all Canada does know, and must realize that no one part of the World can be really prosperous when two thirds of it is almost in dire poverty; in other words, we are suffering from the results of the War all over Canada.

"It is true that possibly Winnipeg has more of its share of hard times, but not altogether due to the War. I believe it is quite true that the slump more or less started in 1913 after a long period of extraordinary boom times, which all through history has had to be paid for. It undoubtedly would not have lasted very long on account of the vast immigration that was in force then, and would have continued, had the War not entirely stopped it, so that Winnipeg is not only suffering from its boom and from the War, but I believe more primarily from the almost complete stoppage of immigration.

"The answer is the awakening of the Dominion Government to the needs of the country to a vast immigration movement.

"We perhaps like to welcome capital to this country, also people who come to farm our vast Prairie and Eastern farming lands, but capital cannot be employed, or farming a success unless this country wakes up to the fact that a vast influx of people who can do the common work of the country is absolutely essential, because all wealth and industry is produced and made successful only by common labor."

As for bettering the feelings between the West and the East, Mr. Webb would have Eastern institutions take their house meetings, conventions, etc., to Winnipeg. "Bring the East to the West," he says, "thus creating a good impression among all classes of the people here, and particularly among the business men, because it would show a very decided sympathy towards the industrial and financial conditions existing in Winnipeg and it would mean more money being spent here."

The province of Quebec has received 19,917 immigrants in the course of the summer, according to figures compiled by Mr. J. E. Roberts, director of colonization in that province.

OTTAWA ELECTRIC'S EARNINGS LOWER

So Company Shows in Demand For Higher Fares—Extensions Are Demanded

From Our Own Correspondent.

MONTREAL. — Figures on the earnings of Ottawa Electric Railway for the present year have been made public in connection with the negotiations between the company and the city of Ottawa for a straight five-cent fare and extensions to the company's system. The figures indicate that for the first eight months of the present year the gross passenger revenue has declined $40,069, as compared with the first eight months of 1922.

A compilation of the return on the company's plant investment indicates a yield of 7.74 per cent. during 1922 obtained as follows:

Capital additions	$ 88,730.43
Allowance for engineering, etc.	9,760.34
Total annual additions	98,490.77
Total investment at end of period	4,076,499.47
Less one-half capital additions	49,245.38
Average investment	4,027,204.09
Working capital	80,000.00
Average investment and working capital	4,107,204.09
Net return available 1922	317,826.01
Per cent. return 1922	7.74

Remove Cause of Much Illicit Fur Trading

The new trapping regulations of Ontario remove the restrictions on the number of beaver and otter that may be taken. The limit for a $15 fee has been 10. To conserve these animals, Hon. Chas. McCrea has set aside the area south and east of the French and Mattawa Rivers as a beaver and otter sanctuary until Jan., 1925. The removal of the coupon will do away with the illicit trade that has been going on in these skins. Royalty fees remain, and the income of the province should be higher.

Place Power Co. In St. John Men's Hands

Rather a departure in the handling of public utilities was inaugurated at St. John, N. B., when the Federal Light and Traction of New York, controlling New Brunswick Power Co., which operates the street railway, electric and gas services of the city, as well as suburbs, invited six of the leading business men of the city to take a hand in directing the affairs of the company. It was pointed out that these men, making up two-thirds of the board, have no material pecuniary interest at stake, but have consented to give the company the benefit of their judgment and guidance in advancing the best interests of their own city.

The new board:

Walter C. Allison, of Manchester, Robertson & Allison, Ltd., St. John; W. S. Fisher, of Emerson & Fisher, Ltd., St. John; L. C. Gerry, of Bodell & Company, Providence, R.I.; W. E. Golding, of George McKean & Company, Ltd., St. John; J. L. McAvity, of McLean, Holt & Company, and T. McAvity & Sons, Ltd., St. John; A. P. Paterson, of Baird & Peters, Ltd., St. John; M. A. Pooler, New Brunswick Power Company (general manager and vice-president) Richard Sullivan, broker, St. John, and E. N. Sanderson, New York, president.

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THE DOMINION BANK

Condensed Statement 31st July, 1923

LIABILITIES	
Capital Paid up	$ 6,000,000.00
Reserve Fund and Undivided Profits	7,866,182.85
Deposits by the Public	93,979,315.71
Balances due other Banks in Canada	576,450.89
Balances due Foreign Banks	2,634,570.15
Circulation	7,007,849.00
Acceptances under Letters of Credit	1,426,053.81
Bills Payable	335,983.63
Sundry Liabilities	760,657.40
	$120,587,063.44

ASSETS	
Cash on Hand	$ 9,472,691.23
Deposit with Central Gold Reserves	1,700,000.00
Cheques on other Banks	6,166,307.78
Bank Balances	1,364,079.48
Cash Assets	$18,703,078.49
Government and Municipal Debentures, Railway and other Bonds and Stocks	22,865,252.05
Call and Short Loans in Canada on Bonds and Stocks	6,657,428.54
Call and Short Loans elsewhere than in Canada	3,366,354.04
Assets Immediately Available	$51,592,113.12
Sundry Advances	60,486,279.28
Deposited with Dominion Government for Security of Note Circulation	300,000.00
Liabilities of Customers under Letters of Credit as per contra	1,426,053.81
Bank Premises	6,200,967.32
Other Assets	581,649.91
	$120,587,063.44

E. B. OSLER, President. C. A. BOGERT, General Manager.

What the Figures in Our Statement Mean

LIABILITIES TO THE PUBLIC:		
The Dominion Bank owes to the Public—		
Deposits	$ 93,979,315.71	
Notes in Circulation	7,007,849.00	
Due to other Banks and Sundry Liabilities	5,730,248.88	
Total Liabilities to the Public		$106,717,413.59
AGAINST THESE LIABILITIES THE FOLLOWING ASSETS ARE HELD:		
Cash	$ 11,172,691.23	
Cheques on other Banks and deposits with other Banks	7,530,387.26	
Dominion and Provincial Government Securities	16,856,444.22	
Municipal, various Government and other first-class Securities	6,008,807.83	
Loans payable on demand (fully protected by marketable Securities)	10,023,782.58	
Immediately available Assets equal to 48% of the total Liabilities to the Public		51,592,113.12
Commercial Loans	60,486,279.28	
Bank Premises	6,200,967.32	
Other Assets	2,307,703.72	68,994,950.32
Total Assets to meet Liabilities to the Public		$120,587,063.44
This leaves a Surplus of		$ 13,869,649.85

Thus there is a margin or extra protection of $13,869,649 in the Bank's Assets over and above its Notes in Circulation, Deposits by the Public and other Liabilities. This $13,869,649 is the property of the Shareholders.

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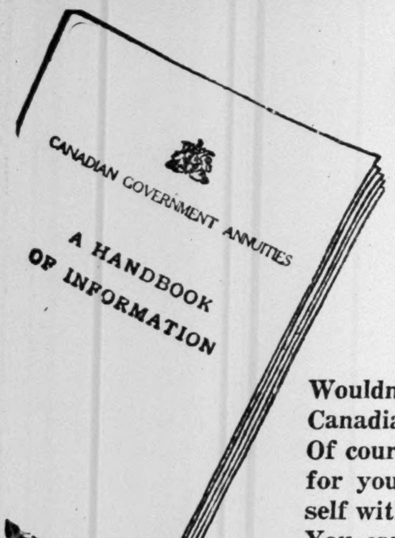

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Pulp and Paper

AMERICAN PAPER SAYS PULP FIELD OVER-CAPITALIZED

Most of the Weaker Companies Have Been Eliminated Now

From Our Own Correspondent.

MONTREAL.—From an American financial weekly comes a rather unsatisfactory view of the Riordon reorganization which, in that paper's opinion, provides complete verification of the fact repeatedly emphasized that "the Canadian paper industry was laboring under a crushing burden of funded indebtedness, and that no improvement in the confused situation could be looked for until oppressive fixed charges were reduced."

This is, of course, not a new thought, and about the time when the peak of what was believed to be the prosperity of the pulp and paper industry was reached about three years ago many Canadians saw that while the industry as a whole was soundly based there were numerous examples of companies that were tremendously over-capitalized and unsoundly financed in every way.

Most of Them are Out

Time has seen the elimination of most of these companies, or their reorganization. The Western Canada Pulp and Paper Company, which was an example of a small company that was financed as though its production were five or six times its actual amount, went under and helped to drag the Home Bank with it. The Riordon Company had to be completely re-built financially. The Nipigon Fibre Company; the Great Eastern Paper Company, which never produced any paper, nor had any intention of doing more than produce pulp; the Nashwaak Pulp Company, the Kaministiquia Pulp Company, the Clarke Brothers Pulp and Paper Company, the Mattagami Pulp and Paper Company, the Dryden Paper Company, and other companies, got into serious difficulties, and in some cases were wound up entirely. The winding up process indicated the weaknesses in their financial structure, for creditors received only partial payments on account of their claims, and shareholders lost everything. Even bondholders found that the assets securing their issues had been shown at grossly inflated figures and were far from sufficient protection for their holdings.

Even many of the strong companies found it difficult to continue dividends on capitalizations that had been increased by the process of splitting shares into two, three or five new shares, and such well-established firms as Abitibi, Wayagamack, Price Brothers, Brompton, stopped or reduced dividend payments.

This record seems to indicate the fairness of the comment of this American financial weekly. The Financial Review of New York.

Compared With Other Lines

And yet was the record of the pulp and paper industry more a record of inflation than that of other lines of industrial endeavor. Almost any small concern—making automobiles, tires, cans, woollens, boots and shoes, or what not—could be purchased, refinanced with large bond and stock issues, to be sold to an eager and credulous public and during 1919 or 1920, theatres were wildly financed.

It is hardly likely that investors who experienced losses as a result of too careless buying in those days will soon forget what they learned. The whole sequence of events emphasized the fact that investments are sound only if they are in companies that are seasoned; if they are in industries that are basic and fundamentally sound at the time of the investment; if the directors and management are men in whom implicit faith can be placed; if the investment house offering the issue is strong enough to see it through if things should not break right; if apparent prosperity has been discounted to the degree where it may be expected to be permanent, and if honest, old-fashioned business judgment says to "Go ahead."

LOOK FOR DRYDEN TO PULL THROUGH ITS RECEIVERSHIP

Loss For Eleven Months Considerably Less Than Last Year

From Our Own Correspondent.

MONTREAL.—The weakness of the chemical pulp market that curtailed the profit in sulphate and sulphite pulp and kraft paper seems to have been the final element in the decision of the Dryden Paper Company to go into receivership. This little company started out under rather favorable auspices, with its control and financing in the best of hands, but it got into production late in the game and has met with a series of misfortunes since. Recently it was found that the new machines upon which all hopes had been pinned were not measuring up to expectations. Then came the decided falling off in the demand for kraft, and Dryden, situated far from markets, its working capital position far from strong, and with further financing practically impossible under present circumstances, either default on the bond interest or a receivership was necessary.

Receiver Will Operate

The receiver will operate the property until improved conditions prevail, and it is hoped to avoid anything in the nature of a forced sale of the property to protect bondholders or creditors. In the interim, shareholders will have the satisfaction of knowing that their equity is around $50 a share. This includes a very high figure for the plant and the timber limits, which, while valuable, are not well located for a hurried sale.

The president, W. A. Black, has written a letter to the shareholders and this indicates that company lost $160,253 during the eleven months to the end of August. This was less than the loss for the previous twelve months which, amounted to $225,016.

Sir William Price Takes Stand for Pulp Embargo

From Our Own Correspondent.

MONTREAL.—Warm support for the campaign to prohibit the export of pulpwood from Canada has come from Sir William Price, head of Price Brothers, and one of Canada's biggest pulp, paper and power producers. Sir William endorses the stand of Frank J. D. Barnjum for the embargo and says:

"Last year, to produce 1,088,205 tons of pulp, 1,405,440 cords, or 702,722,000 feet, board measure, of pulpwood were consumed by 46 mills. In addition, 553,836 cords, or 276,918,000 feet, board measure, were exported to the United States and about 925,360,000 feet, board measure, were used for other forest products; the whole accounting for a total wood cut of approximately 1,905,000,000 feet, board measure. To this consumption must be added in the future 500,000 cords of pulpwood—an amount that practically equals the present export—to provide for new mills or paper machines now under construction.

"It is only with the most intensive protection and the strictest conservation that it will be possible to maintain this vast supply of raw material to provincial forest industries. In some districts a timber shortage is already well in sight and it will be necessary for the mills operating there to purchase all the available pulpwood that is produced in the province.

"There is therefore no surplus supply for export and mills in Quebec are going to be short exactly the quantity of wood that is sold to mills in the United States, unless our forest reserves are depleted in defiance of conservation. This means that they will be unable to operate at capacity and will give less employment to labor."

MAY INJURE ABITIBI RIGHTS

It is being contended that the development of Hollinger power on the Abitibi River will wipe out Sault Rapids, and further that the Abitibi Power & Paper Co. will object, as they possess rights on the Sault Rapids. It is said that the paper company is ready to press its objection. All machinery orders by the Hollinger have been on the basis of a sixty-foot head.

U.S. Government Ruling May Widen Market For Paper From Canada

From Our Own Correspondent

MONTREAL.—Although the United States treasury ruling defining standard newsprint paper has been in force for about a month now, it has not in any important way yet affected the operations of the Canadian mills. But the ruling is very elastic and some paper men see in it possibilities for development of further exports of Canadian paper to the States.

The treasury definition of newsprint paper is drawn up by customs officials in order to determine exactly what kind of paper could be admitted free into the United States under the Fordney-Cumber tariff, which permitted the free entry of newsprint but which established rather high rates on other classes of paper. Definition was designed to clear away the confusion which had arisen regarding the importation of newsprint since the new tariff became effective and is the result of about 12 months of negotiation between the United States customs officials and representatives of the paper and publishing interests.

The treasury finally decided that newsprint paper to be admitted free into the United States "is hereby defined as consisting of mechanically ground wood pulp and chemical wood pulp or sulphite containing not in excess of 30% of sulphite and varying in weight not more than 10% from 32 lbs. to each 500 sheets of 24 x 36 inches."

A certain amount of half tone newsprint paper had been shipped to the United States prior to the adoption of this ruling and most of it weighed about 35 lbs. to the 500 sheets of the size specified, which meant that it is still going free of duty into the States. In the case of the mills that manufacture paper in a heavier weight, these merely reduced the weight to come within the scope of the free provision. So far, the ruling has not caused any extension for the market for Canadian paper nor any contraction on the market.

The loop-hole lies in the fact that the ruling is very elastic. It is possible to make a kind of book paper out of bleached ground wood and the small proportion of sulphite that is allowed and it is anticipated that when Canadian mills begin to realize this fact that a type of book paper will be worked out that can enter the United States duty free under this ruling. This could be manufactured chiefly in Canada and would find a wide market among American magazine and book publishers.

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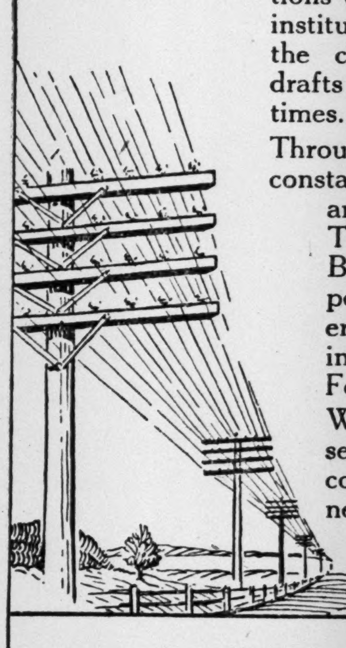

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Year	*Loans and Investments*
1857	1,103,078
1862	1,395,472
1872	5,524,075
1882	7,156,661
1892	11,008,794
1902	19,181,925
1912	48,126,011
1917	61,737,340
1922	**71,830,546**

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Hollinger
Dome
McIntyre
Teck-Hughes
Vipond
Argonaut

THE latest developments of importance and the present situation and outlook at these mining camps is recorded in the current issue of

Gibson's Fortnightly Mining Review

Those who are interested in the present excellent mining conditions will find very valuable the definite information contained in the Review, which will be sent free for the asking.

Homer L. Gibson
AND COMPANY
Bank of Hamilton Bldg.,
TORONTO

Visiting The Mines

The recent extensive tour of inspection of the Northern Ontario Mining Camps by several members of our staff enables us to provide the Mining Investor with up-to-date information regarding the various mines.

Inquiries Invited.

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SILVER TO INDIA

September Shipments of $3,648,000 Heavier Than Usual.

NEW YORK.—A shipment of silver bullion valued at $1,380,000 has been made to India. This brings the total sent to India in a month to $3,648,473.

Foreign and domestic silver shipped from New Pork to British India this year totals $11,478,884. Movement has been fairly constant throughout the year, though September shipments were slightly more than for any previous month.

MINING NEWS FOR THE INVESTOR

WEAKNESS SHOWS IN MINING LIST; GOLDS ARE DOWN

Most of the Issues Are Selling Below High of Year

The mining market was somewhat weaker at the close of the past week's trading. There was an absence of buying orders, attributed to the fact that the mining brokers were up north for the best part of the week. The selling was said by some of the brokers to come from New York. They said there was a rush to protect larger accounts. There were some spectacular rises recorded up to about the close of the week, notably in Vipond and Tough-Oakes. These advances were ascribed to favorable news from the mines. Vipond's development continues spectacular, while Tough-Oakes, Burnside, having followed its high grade shoot to the Sylvanite border found that where it had started, a four-foot barren area, it had made a slight turn to the south and then continued on parallel to the other vein which has been opened up for well over 200 feet and carries over 100 feet of $10 and 100 feet of $15 ore. High grade shoot assays are over $100. Hollinger and McIntyre both continue quite weak as compared with previous highs. In fact this statement is applicable to the majority of the producing golds.

There has been considerable activity in the silver of late. S. Lorraine developments are focusing attention on this portion of the mining list. Yet a review of the year's market of the leading silvers shows that not one of them is up to the season's high, though all have rebounded, more or less from the year's low.

The following table shows the present position of the leading golds and silvers as compared with the high and low points of the year:—

	High	Low	Present
GOLD			
Argonaut	1.00	48	67
C. W. D. Lake	38	21½	30¼
C. Reserve	74	31	65
Clifton	28	16	16½
Dome	45.00	32.15	39.25
Goldale	66	35	51
Hallinger	14.50	11.25	11.50
K. L. Gold	60½	30	40
Lake Shore	3.71	2.85	3.35
McIntyre	20.50	16.00	16.10
Newray	49	25	46
T. Hughes	1.46	83	1.32
W. Hargreaves	3.58	2.80	2.97
Vipond	98	42½	91
SILVER			
Beaver	51	27	29
Castile	39	23	32
Coniagas	3.10	2.00	2.40
La Rose	43½	17½	22
McKinley	25½	13½	14½
Mining Cpn.	3.50	85	3.10
Nipissing	6.25	5.00	5.60
Keeley	2.32	1.65	1.95

SPEND $5,000,000 TO OPEN NEW COAL MINE

Dominion Coal Will Locate New Townsite Near Lingan in Nova Scotia

GLACE BAY, N.S.—The Dominion Coal Co. will spend around $5,000,000 opening up a new mine and colliery at Lingan. Construction of a branch railway to the site has already started. The new colliery will be large and equipped with every modern device, and a model town will be planned in its vicinity, the site being ideal for the purpose. It will tap the Phalen seam and will have a capacity of some 2,000 tons daily.

The new mine is located near the old G. M. A. mine, which was abandoned away back in 1886, according to the "Maritime Mining Record," which says the venture was never a highly profitable proposition. It may have paid during the years of the U. S. civil war, and for a year or two subsequently, but during that period alone. It was operated by the G. M. A., controlled in the Old Country.

The new shaft will be about 400 feet deep to cut the Phalen seam. The sinking operation will start quite close to the shore, about a mile distant from the Lingan slopes. Very little may be done this fall in the way of opening up the mine, but once the railway is laid it will not be difficult to bring in the material necessary for surface equipment and for sinking.

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1924 to be Banner Year For Ontario Mining

To open up mining areas, feeder lines for the T. & N. O. railway are to get the careful and perhaps immediate attention of Premier G. H. Ferguson and his two northern ministers, Hon. Chas. McCrae and Hon. Jas. Lyons, Minister of Lands and Forests. The two ministers are leaving on a ten-day tour, starting from the western part of the province. It is believed that when they get to the mining section the premier may join them. It is considered doubtful, however, if anything will be done re a railway to Lorraine or west to Gowganda and Shining Tree until next year.

Hon. Mr. McCrea sees a banner year for the mining industry in Ontario. Indications were already present, he said, that capital had regained confidence, and would be available for development purposes in generous sums for the next season.

"Every indication," he said, "points to a steady stream of capital for the North during 1924."

A Step in the Right Direction

The sudden break in Matachewan General stock has resulted in some criticism of the Standard Exchange for allowing the stock of the company to be listed. Work had only started on the 60-acre property and the company had only been launched.

It comes out that the exchange has one rule which works in the right direction. A concern must have $25,000 in the treasury. Mining men consider this a favorable move but not adequate to result in any good.

If the amount was doubled; if the exchange called for a property that was sufficient in size to give a company a real chance, and reputable engineers' reports were demanded, beneficial results would follow.

When a broker underwrites a block of stock, it is natural for him to want it listed. On the other hand, if the exchange insists that there be a substantial stake in the enterprise before it is listed, the credit for such action, and the results accruing, are bound to help the mining brokers. The speculators will get their funds in moving enterprises. They will get a better chance of a turnover, and every turnover helps the brokers.

On the other hand, if the exchange does not do something along this line, mining speculation is going to suffer, and the brokers will pay the shot. Trade will gradually be weaned away from them. Besides, they are indirectly boosting strongly for the law that most of their members opposed, a stringent measure controlling the sale of all securities. There is one coming.

ZINC FAMINE FACES MARKET IN ENGLAND

Canadian Producers Have Excellent Chance to Get Into This Field

Canada in 1922 produced about 30,000,000 pounds of zinc, which was worth something over $2,000,000. This is a material drop from the 1921 output of 53,000,000, but the price received was much better. Canadian zinc producers, now operating far below capacity, have an opportunity of securing a permanent hold on the English market. The best estimate of zinc stocks indicates that a zinc famine threatens England. Both Argentina and Japan are buying galvanized and zinc sheets heavily, the latter in London, Belgium and Australia. Production in Germany is almost at a standstill, while the output of Belgium is required to fill reconstruction contracts. Superficially the London zinc market is fairly sluggish owing to manipulation by several of the large zinc dealers, who are buying for future delivery and leaving immediate small lots untouched.

Great Britain uses about 14,000 tons of zinc a month, of which the Isles produces 2,500 tons. The other 11,500 tons come ordinarily from Germany, Belgium, and Australia. Germany is known to have about 9,000 tons of zinc available. Part of this is tied up in the Ruhr. The remainder is being kept under cover by the Zinc Syndicate for higher prices. Belgium has been supplying England with about 3,000 tons of zinc a month, but is not expected to be able to furnish more than 2,000 tons in October owing to heavy demands from France for reconstruction, and the fact that a large part of the Argentine order for 20,000 tons of sheet zinc went to Belgium. England, therefore, can get at best only about 5,000 tons from her ordinary sources of supply. She must import in all 11,500 tons. The market price as yet has not recorded the possible shortage.

NIP. MAINTAINS OUTPUT

Production of Ore in September About Same as in August.

Nipissing produced $172,003 in September, which is practicaly the same as August, $173,459. During the month 201,209 ounces of bullion, value $129,659 was shipped. August shipments were more than double this, 451,595 ounces, value $284,696.

Mining Stock Quotations

Week Ending October 9.

	High	Low	Close	Sales
Atlas	5¼	5	5	24700
Algonquin	3½	—	3½	2000
Argonaut	69	66	67	13300
Baldwin	7½	6½	7	35500
Beatty	10	..	9¾	5000
Beaver	30	29	29¾	1450
Bidgood	7⅜	7	7⅜	25500
Buckingham	9	6	7¼	49000
Castle T.	33½	31½	32	41900
C. Hughes	7¼	4½	7¼	29000
Coniagas	2.40	2.25	2.40	650
Cons. Smelters	25¾	25½	25½	693
C. W. Dome	33	30	31½	65150
Clifton	18½	16½	17	42500
Col. Kirkland	10	9	10	38000
C. Reserve	66	62	66	98050
Davidson Ex.-R.	4¾	—	4¾	1000
Dome Mines	40.00	39.25	39.25	634
Gold Reef	2	—	2	6000
Goldale	52	49	52	21500
Hattie	14½	12½	12¾	7800
Hollinger	11.75	11.40	11.55	3650
Hunton	9	8½	9	16006
Inspiration	10	—	10	6000
Keora	8	—	7¾	12000
Kirk. Lake	40½	38½	40½	11200
La Rose	22½	—	22	2000
Lake Shore	3.37	3.34	3.35	2525
Lorrain	21	18½	21	66500
McIntyre	16.60	16.00	16.10	2440
McKinley D.	15	14	14½	11500
M. Corp.	3.20	2.75	3.10	6004
Moneta	18¾	18½	18	3200
Newray	48	46½	47	161500
Nipissing	5.60	5.45	5.60	355
Pete. Lake	10¾	10	10½	8300
Porc. Crown	13½	12	11½	29500
Preston	12⅝	12½	12⅝	19300
Silver Leaf	⅜	—	⅜	2000
Teck Hughes	1.36	1.31	1.33	33635
Timiskaming	35	33	32	6000
T. Krist	6⅛	5¾	5¾	14500
Trethewey	4	—	4	2500
Vickers	35	33	34	10375
Vipond	98	91	95	74654
Wakenda	14¾	3⅞	4½	7000
Wasapika	4½	4⅜	4½	17000
West Tree	8	6¾	7½	31200
Wettlaufer	10¾	10¼	10½	7500
W. Hargreaves	2.97	....	2.97	300

Indian Mines Places Diamond Drill Contract

VANCOUVER.—The Indian Mine is to be diamond-drilled. In an effort to expedite the strike of the ore bodies 2,000 feet of drilling will be done. Recently a find was made in No. 1 tunnel, and while the drilling is being done, development will concentrate here. G. B. D. Turner, general manager, says large bodies of milling ore have been opened up already; average sampling across 26 feet gave $25, and other samples tend to sustain this average. Plans call for the erection of a 150-ton compressor. The mine, which is a gold, silver and lead property, is owned by the Indian Mines Corporation, and controlled by Montreal and Toronto capitalists.

AGE OLD PRODUCERS OF B.C. REVIVING

Many Kootenay Properties Closed for Years Are Scenes of New Strikes

NELSON.—Marked activity in mining throughout the Kootenay is bringing into the limelight many properties that were famous in other days.

The Jackson mines in Jackson Basin, the Slocan district, which, up to 15 years ago, when they were closed, shipped out more than 4,000 tons of silver-lead concentrates, is to be reopened by the Alexander financial interests of England, whose Canadian representative is Mayor James Anderson, of Kaslo. On the Dublin Queen, one of its claims, a rich strike was recently made by R. H. Stewart, M. E., of Vancouver.

The Combination at Greenwood has sent a trial shipment to the smelter at Trail. Free gold and native silver have been found on this property.

The I. X. L., at Rossland, which recently created a sensation by shipping remarkably rich gold ore under armed guard, has another shipment nearly ready. The eight lessees, who received $3,000 each from the first shipment, state that values have been maintained.

The Gold Drip and the O. K., both adjoining the famous old I. X. L., have resumed operations, and the latter reports a good strike, though not as sensational as that on the I. X. L.

In the Slocan, the famous old Payne mine, which, in its day, produced ore worth $7,000,000, is to be reopened by a Spokane syndicate.

The old-time Canadian is again being worked. Gray copper has been struck in the Ruth. Twin tunnels, 500 feet long, are being driven on the Reco. The Wonderful and American Boy are preparing to make first shipments.

A new mining company incorporated is the Golden Age, with capitalization of $500,000, formed to work its property near Wiley's Siding, B. C. This is a gold-silver proposition.

Dividends of Mines

	Paid in October	1923 to date
Gold		
Hollinger	$246,000	$2,460,000
Dome	476,000	1,428,000
McIntyre	......	546,042
W. Harg.	68,750	206,000
Lake Shore	......	120,000
Total	$790,250	$4,760,000
Silver		
Nipissing	$360,000	$1,080,000
Keeley	......	320,000
Kerr Lake	......	225,000
LaRose	......	150,000
Coniagas	......	100,000
Total	$360,000	$1,875,000
Grand Total	$1,150,250	$6,635,000

SILVER AND OTHER METALS

		6	8	9	10
Silver—					
London (pence)		31¾	31½	31⅜	31 7/16
New York		63⅞	63¾	63½	63⅝
Copper		13¼	13	13	13
Lead	6.85		to		7.00
Zinc	6.25		to		6.30
Tin		42¾	42½	—	42½

ONTARIO NATIONAL DEVELOPMENT CORPORATION LIMITED
Core-Drilling Porcupine Grande

Official word has reached the Ontario National Development offices in Toronto that core-drilling has begun upon the Porcupine Grande. This excellent gold property, comprising 629 acres in Whitney Township, is one of the many meritorious, geologically-sound and technically-approved groups that come within the great encircling arm of the Ontario National.

The drills that have begun to roar on Porcupine Grande are the precursors of a whole fleet that will shortly be piercing the rich strata of scores of groups of Ontario National properties all over the northern gold area. These operate under the personal direction of Col. R. P. Rogers, Chief of the Engineering and Technical Staff.

ONTARIO NATIONAL DEVELOPMENT CORPORATION LIMITED
Offices: 504-5 Confederation Life Building; 674 Danforth Ave.
TORONTO
Prospectors and owners of undeveloped gold properties are invited to communicate with these offices.

"Timely Talks on Mining"

By Irving J. Isbell

TALK NUMBER SEVEN

A BULL ON NORTHERN ONTARIO

I am a bull on Northern Ontario. And I am going to tell you why in as short a space as possible. I have just come back from another trip to the gold and silver camps, Cobalt, Porcupine, South Lorrain, Kirkland Lake, and while seeing the mines again is no novelty, I have to confess that the changes that have taken place since my last visit are really astounding.

I have been interested in mining on and off for the last thirty years both in Canada and the United States and know whereof I speak when I say that in all my years of mining experience I have never yet seen anything, anywhere, which can touch Northern Ontario.

I only wish that everyone who reads my "Timely Talks on Mining" could spend a few days in looking over the mines as I have done. Then there would be no necessity for me to tell you why I have such confidence in the precious metal mining industry as it is carried on in Northern Ontario. The minute you get off the train, you feel the atmosphere charged with high optimism, enthusiasm, and that spirit of enterprise which has carved out of a wilderness gold and silver mines surpassing in richness those in any other part of the world.

Talk to the mining men, the merchants, anyone for that matter, because they all know mining and the mines, and you will find an abiding faith in the greatness of the North country, a settled conviction based on what has already been accomplished that not only the next, but several generations after will be reaping rewards from the foundation which is being laid now.

While the record of millions of dollars of gold and silver already produced is pointed to with pardonable pride, every man in the country, from the mine officials down to the lowliest employee, believes with all the confidence in the world that this is just the beginning, just a forerunner of the wealth that is to come in ever-mounting streams.

My pen falters when I think of the magnitude of the task of adequately picturing to my readers the magnificence of Canada's heritage. Words fail me and I feel unequal to the occasion. That great mineralized belt in which the precious metal has been so lavishly deposited in Northern Ontario, so the geologists tell us, stretches for thousands of miles from Labrador to the Pacific. Its potentialities are beyond the ken of human imagination.

Even in Northern Ontario it has been estimated that there is 160,000 square miles of ground favorable for mining, and in this vast area the camps opened so far are mere specks.

Space does not permit of treating with individual camps or properties. Throughout the whole mining areas of the north I can truthfully say that the outlook is most encouraging. A feature that particularly struck me on this visit was the amount of real prospecting, real exploration and real mining being done. I venture to say without fear of contradiction that there is more money being spent in legitimate mining than ever before. The day of the "wildcatter" is gone forever. Everywhere one gains the impression that they are getting down to the serious business of making mines, with the result that many of the old properties thought to be failures are "coming back" with a vengeance and the prospects of yesterday are blossoming into the producers of to-day.

Those of you whose pulse has not yet quickened to the call for support to the mining industry whether it be through ignorance or through indifference, I would suggest that you waken to the opportunities without a day's delay, familiarize yourself with the records of the gold and silver mining companies, for I can say in all seriousness never before had a man greater chances for becoming wealthy than in the mining industry of this country.

Mr. Isbell's "Timely Talks On Mining" will continue for an indefinite period in this column. "Talk Number Eight" will appear in the issue of October 19th.

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NEWS OF THE BANKS AND BANKING

CANNOT CHECK BRANCH BANKS IN THE STATES

Movement Continues in Spite of Rulings Made

From Our Own Correspondent.

NEW YORK. — Attorney-General Daugherty's decision that national banks are not legally permitted to open branches other than branches for the receipt of deposits and the cashing of cheques, is not likely to affect, to any great extent, the branch bank situation in the United States. So far as New York City is concerned, the five banks already having branches will not be affected as they acquired them by taking over state banks and "nationalizing" them, a perfectly legal proceeding. While the plans of a number of other New York national banks, which planned to begin the building of branch systems within the city, may be blocked for a time by the Attorney-General's ruling, they are believed to already see a way out, as they are seriously considering surrendering their national charters and taking out state charters. In this way they will be enabled to establish branches freely.

As to the banks in other parts of the country, outside of those few states that specifically forbid the establishment of branches by their own banks, it is unlikely that the Attorney-General's ruling will prevent banks needing branches from establishing them. All that will now be necessary will be for them to do as the National City Bank of this city has done on several occasions; take over state banks and nationalize them. Or, from their point of view, better still, surrender their national charters and in those states where branches are permitted, take out state charters.

The other centres where branch banks are most numerous in the United States, will not be affected by the ruling. In Detroit where there are more branch banks in one city than there are in any other city in the Union, all the banks operating branches are state banks. There are only three national banks in the whole city. In Ohio the same situation prevails. The state institutions control the branch banking system. In California, where there are 440 branch banks, most of them are owned by the Bank of Italy, a state institution.

While there is a wide difference of opinion among bankers as to the effect the ruling will have on the National banks' future, there seems to be no difference of opinion regarding the truth of the statement made by one local banker, "that branch banking in the United States has come to stay."

Alleged Cheque Artist Wanted in Maritimes

From Our Own Correspondent.

ST. JOHN.—Alleged to be a persistent passer of fraudulent cheques, Harold G. McDonald was arrested while attempting to pass a worthless cheque in Montreal. McDonald was transported to St. John to face four charges there. All of the false cheques were purported to be issued by the D.S.C.R. and signed by executive officers in St. John.

McDonald is also sought in Halifax, N.S., and in Boston, on worthless cheque charges. He has been arrested previously in the Maritime provinces, and has served a term. He tallies to the description of a man, who, several weeks ago, sought to steal a motor car in Fredericton and who fired two shots at the owner, from a revolver, when the attempt was frustrated. McDonald, it is said, has been passing worthless cheques in eastern Canada and New England for the past ten years.

TALK OF BANK UNION IN THE MARITIMES

But Organizers Have Not As Yet Met With Much Success

ST. JOHN.—Some of the labor leaders of the Maritime provinces insist in stating they intend to organize the bank clerks of the Maritimes into a union. The tentative plan, as disclosed, is to have no affiliation with international unions, but to organize a Maritime body, independent of all other unions. It is known that another plan is to affiliate with the American Federation of Labor, the clerks of the Maritimes to be a subordinate body.

The field has been theoretically covered by these labor leaders, and they assert prospects of success are fair. But before they start they wish to secure sufficient finances to cover expenses. Some bank clerks have been sounded on the question of joining such a union, and whether the preference would be for the independent Maritime body or the subordinate body. But despite the lavish predictions of the labor organizers, indications are that organization of the union would be fraught with much difficulty. While the movements of the organizers have been veiled in the utmost secrecy, it is known there have been several conferences, and that two of the union men have been touring the larger centres of the Maritimes, and making a minute survey of the situation. These bank clerks approached have been told that such a body, as outlined, can secure increased salaries, and removal of responsibility for money lost.

Thinks Salaries Would be Better Without Cut-Throat Competition

Montreal, October 10, 1923.

Editor, Financial Post, Toronto, Ont.

Sir: I take much interest in reading the column of "News of the Banks and Banking" and note the different views expressed on the staff salary problem.

It is a well-known fact that bank officers' salaries do not compare with other professions and this in my opinion will not be remedied until the banks get together at the round table of the Canadian Bankers' Association and agree to discontinue the unbusinesslike competition now prevailing among them.

Let them all agree to discontinue cutting rates in interest and commission and avail themselves of the maximum rates allowed by the Bank Act.

Let them agree not to open branches in towns, cities and districts where banking service is already established and fully provided for.

Let them agree to discontinue granting free service, free stationery, calendars, souvenirs, etc.

Let the association impress upon the banks that they are the custodians of the people's savings and the shareholders' money and as such they have not the right in taking any risk in the loaning of same.

Let them all realize that to fulfil their trust that banking must be conducted on profitable and conservative lines.

Let them realize that it is better banking to buy government bonds than investing so much money in bank premises which is a heavy drain on profits.

Let them visualize the future with the experience of the past and ever keep in mind, there are cycles of good business as well as depressions.

With a continued new era of sound and profitable banking, the ratio of profits to total assets will again move upwards and the reliable, loyal and ambitious officer would receive better remuneration for his valuable services to the public.

Yours truly,
BRANCH MANAGER.

NEW YORK BANKS PAY COST OF STATE EXAMINATION SYSTEM

Every Bank, Trust Company, and Private Bank Examined By Superintendent of Banking at Least Twice a Year—Personal Loan Brokers Once a Year

ARTICLE II

NEW YORK. — The variety of function performed by the great New York banks, indicates a highly complex economic structure and a banking system which is, at least, so far as function is concerned, somewhat similar to that of Canada.

And what is most important from the Canadian point of view is the existence in New York City of several large branch banking systems. For instance, the Corn Exchange National Bank has fifty-five branches. Other large banks have systems only slightly less extensive.

The New York system of bank examination is in many respects the same as that of the National system. Once the examiners are in charge of a bank's affairs there is the same careful checking of assets and liabilities, the same insistence that the bank's statement exactly reflects the condition of affairs revealed by the examination.

Banks Pay Cost

Incidentally, it may be mentioned here, that the examination system is supported by the banks. After the examination of any bank is complete the State Superintendent of Banks sends the bank a bill covering the services of the examiners. If the examiners are highly skilled, very experienced men, they may be paid at the rate of $19 a day; if they are mere beginners they will receive $8.

There is the further difference in this respect between the New York practice and that of the Comptroller of the Currency and that is that while the United States Government must provide for the "overhead" of the national bank examination bureau, in New York, the cost of operating the Department of the State Superintendent of Banks is met by the banks of the state at the end of each year.

This being the case, the New York state bank examination system had never cost the people of the State of New York one cent.

The law under which bank examinations are conducted in the state of New York authorizes the Superintendent of Banking to examine at least twice a year, every bank, trust company, private bank, and at least once a year the affairs of every personal loan broker.

Scope of Inspection

In conducting these examinations, the Superintendent or his representative is authorized not only to examine the resources of the banker or banking institution examined, but is allowed to pass judgment upon its policy and method of doing business.

Should it be found that the bank or banker has violated its charter, conducted its business in an unauthorized or unsafe way, that it is in an unsound condition, or cannot with safety and expediency continue business, has impaired its capital or suspended payment of its obligations, the examiner may take over the bank's affairs, and subject to court order, proceed to liquidate its affairs. If a bank refuses to permit an examiner to inspect its affairs or refuses to obey the orders of the state banking department, it may also be taken over in the same way.

As under the national banking law affecting the examination of banks, the state superintendent of banks is empowered to see that his own inspection system, and a regular series of reports which the state banks are compelled to supply him, is supplemented by regular inspections conducted by the directors of each bank. Copies of the reports based upon these internal inspections must by law be filed with the State Banking Department and must under penalty of the law reflect the true position of the bank. The inspections conducted by the state banking department are thus reinforced by regular internal inspections, the conditions of which are clearly specified in the state banking law.

The specific problem of inspecting a bank with a number of branches is met by putting examiners in every branch of any particular bank on the same day at the same hour. All the offices of any one bank are thus examined simultaneously.

Banker Says Men and Not the Banking System at Fault

Editor, The Financial Post,
Toronto.

Sir: Like every bank officer, I have, of course, been much interested in your advocacy of governmental supervision of bank statements. This phase, like many others, sounds well but it is extremely doubtful if it would be any more effective than the present system. The great objection to governmental inspection or supervision is that so well stated by Hon. Mr. Fielding at the last revision of the Bank Act—namely, that in the event of trouble there would be an insistent demand that the government should make good the depositors' losses. That this would be the case is well demonstrated by the present agitation on the part of the Home Bank customers and by that made by the depositors and shareholders of the Farmers Bank. Those who advocate government supervision will say that under the proposed system there would be no failures, but is it to be expected that government officials would be any more capable than the private auditors now acting? Every person's experience with the usual run of government officials would indicate that their supervision perhaps would be less efficient than that of private auditors. Moreover, governmental inspection has not prevented bank failures in the United States. It might be asked why the objection stated above—namely, that of popular demand on the government, does not apply equally to the United States. The answer is that conditions are entirely different. In the United States, banks are isolated units and the failure of one affects only a very small percentage of the population; in Canada, branches of the chartered banks extend throughout the country and the demands of depositors in the event of failure would be so extensive that no government, under a system of government supervision, would be able to withstand them.

In all articles dealing with the present situation, it seems to be taken for granted that the system is at fault. Is this really the case? Without desiring to pre-judge, might it not be stated that certain auditors have not measured up to their responsibilities? Is it any more certain that government officials would be immune from such errors? I believe that every person who has thought seriously on the subject will agree that it is just as possible for a government official to err as for a private one.

Further, no reference is being made in current comment to the amendments to the Bank Act made at the last session of parliament, which provide a further distinct measure of protection for bank customers. Indeed, it is not unreasonable to say that recent developments in bank circles have been hastened by the new Bank Act provisions which will become effective for the first time with the statement for October. Under the new requirements it would not be possible to show under "current loans" such advances as were instanced in the curator's report on the Home Bank, on which no interest had been paid for years.

I think that ninety-nine out of every one hundred bank officers are thoroughly in accord with any proposals that would throw further safeguards about our banking system; but they feel equally as sure that governmental supervision or inspection would provide no further protection than does the present system. It seems to me that a mistake is being made in looking to United States practice for guidance in this matter. The system of banking in that country is organized on an entirely different basis than in Canada; the latter follows more closely the British system. Would it not be more logical then to follow the British practice in such matters? There is no governmental inspection or superivision in the British system and the British banks rank very high.

After all, the soundness of any banking system rests on the integrity and honesty of purpose of those at its head. It is extremely doubtful whether further restrictions and supervision would prevent dishonest persons from carrying out their designs. We are apt to forget that when the bank audit provisions were first adopted in 1913, it was prophesied that with such audits there would be no more bank failures in Canada.

Yours truly,
A BANKER.

Toronto, Oct. 9, 1923.

Staff Gossip.

L. M. Bernard, who has been transferred to St. Louis as manager of the branch of the Molsons Bank, left for there.—The Record, Sherbrooke.

* * *

Gordon McLeod and Gerald Kelly left Saturday afternoon for a hunting trip up the Yukon as far as Stewart City. They will be on the job again to-morrow morning.—The News, Dawson City.

* * *

S. G. Borston, Vancouver, has been appointed teller in the Revelstoke branch of the Canadian Bank of Commerce, succeeding Frank Donaldson, who has been transferred to Mission City.—The Sentinel, Kamloops.

* * *

Atlee Minnis, who has been in the Molsons Bank at St. Thomas for some years, has been made manager of the Sparta branch of the bank, and moved to that place recently.—The Echo, Amherstburg.

* * *

Leslie Sinclair, late of Port Arthur, spent a few days here with his parents, Mr. and Mrs. Robert Sinclair. He was removed lately to Peterboro, where he is on the staff of the Bank of Montreal. —The Journal, Gananoque.

* * *

A. G. Bastedo, manager of the Bank of Hamilton here, has been transferred to the head office, Hamilton. He is succeeded by Mr. Telford, whose home is in Owen Sound but who has recently been accountant in the Wingham branch.—The Enterprise, Chesley.

* * *

L. O. Oke, manager of the Toronto Bank which was robbed last week, and who was beaten over the head by the robbers, is a son of Rev. J. H. Oke, former pastor here, and was known in this community.—The Standard, Markdale.

* * *

H. Arnold, Molsons Bank manager, was knocked down and run over by Cris Campbell's car while crossing the street. Medical aid was immediately summoned and the injured man taken to his home, where upon investigation it was found that he had received a broken ankle and several broken ribs.—The Times, Exeter.

* * *

C. A. Taylor, who has been connected with the Bank of Montreal in the Sault for the past three years, left recently for Toronto, where he has been transferred. Mr. Taylor has been a member of St. Luke's choir during his residence here, and was recently appointed president of the Anglican Young People's Association.—The Star, Soo, Ont.

* * *

H. C. Morris, for some years accountant at the local branch of the Bank of Nova Scotia, has been appointed manager of the branch at Cobden, Ont. Mr. Morris will be missed in town, especially in hockey circles. He was for the last two seasons the efficient secretary-treasurer of the hockey club.—The Star, Parry Sound.

* * *

A. T. Hall, who for over a year has been connected with the Bank of Montreal here, has been transferred to the coast. Mr. Hall was well known and liked in the community and leaves behind a great number of friends who unite in wishing him every success in his new work. Mr. Edmonds, of Vancouver, is taking Mr. Hall's place in the bank.—The Herald, Cranbrook.

* * *

Ross Thibaudeau, late teller in the Bank of Toronto, Shelburne, has received notice of his transfer to the Feversham branch as accountant. During his stay in town Ross made many friends and in the transaction of bank business was particularly well liked. Carle Jones, of Welland, has joined the local bank staff as ledger-keeper.—The Free Press, Shelburne.

* * *

C. E. Allen, the former popular member of the local branch of the Bank of Montreal, who recently was transferred to Galt, met with an unfortunate accident while en route to take over his new duties. While travelling to Galt a train window fell on his hand, and several fingers of his right hand were badly bruised. It was at first thought he might lose one of his fingers.—The Argus, Stirling, Ont.

* * *

Arthur Ashworth, accountant at the Imperial Bank, Cranbrook, B.C., has been transferred to the bank at Invermere, and is leaving shortly for his new home. Both Mr. and Mrs. Ashworth will be greatly missed in the town, having been prominent in musical and church circles. Mr. Ashworth is secretary of the G.W.V.A. and the musical society. They have been residents of Cranbrook for a number of years and have made a great many friends who are very sorry to see them go.—The Herald, Cranbrook.

* * *

Archie Raworth is just in receipt of an interesting wedding announcement from Havana, Cuba, where a former Cranbrook banker has taken unto himself a wife. Burgess Kidd, who three years ago relieved at the Canadian Bank of Commerce during the absence in England of Mr. Hallamore, then local manager of the Commerce here, is the lucky individual. His bride is Miss Mary Ware Buhl, a leading society lady of Havana. The wedding took place on September 12 at Havana.—The Courier, Cranbrook.

* * *

Business men of Wyoming gathered recently to bid good-by to Harry Lambert, manager of the Bank of Toronto. Mr. and Mrs. Lambert are moving to Dunnville, where a branch is to be opened. Mr. Lambert has been in Wyoming for five years and won the respect of the citizens. He has been a straightforward business man, always adhering closely to the rules of the bank. Socially he has added much to the enjoyment of the villagers in getting up interesting plays for the town hall each winter.—The Free Press, London.

* * *

At the opening of a local bowling tournament, H. G. Small, Union Bank manager, being transferred to St. Catharines, was the centre of a surprise event. Rev. George Weir in a brief but eloquent address expressed the regret of not only the bowlers, but the citizens generally, in the removal of Mr. Small from Ridgetown. The speaker instanced the enthusiasm with which Mr. Small had joined in all the town's activities and expressed the opinion that Ridgetown was distinctly poorer through Mr. Small's departure. He presented Mr. Small with a handsome club bag, accompanied by the prediction that while Mr. Small's circle of friends might be larger in St. Catharines, he would have none truer than those he was leaving behind. —The Dominion, Ridgetown.

Exchange

NEW YORK FUNDS

		Hight	Low	Last Year High	Last Year Low
Oct.	4	... 1⅜	1 3-16	*1-64	1-32
Oct.	5	... 1⅜	1 7-32	*3-64	1-64
Oct.	6	... 1 7-32	1 3-16	*3-64	1-32
Oct.	8	... 1 5-32	1 1-32	*3-64	1-32
Oct.	9	... 1⅛	1 1-32	*3-64	1-32
Oct.	10	... 1⅜	1⅛	*7-64	1-64

* Discount.

STERLING, FRANCS AND LIRE

		Sterling Demand	Francs Demand	Lire Demand
Oct.	4	462½	598	456
Oct.	5	461	600¾	455
Oct.	6	460½	599	455
Oct.	8	460¼	607	456
Oct.	9	461¼	610¾	461
Oct.	10	461	609	462

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN BANK CLEARINGS

	Week ending Oct. 5	Increase over '22	P.C.
Montreal	$116,570,440	$6,255,901	5.6
Toronto	102,081,430	*18,436,440	15.2
Ottawa	8,288,004	969,993	13.2
Hamilton	6,862,483	*132,576	1.8
Quebec	6,478,128	178,063	2.8
London	3,368,830	183,016	5.7
Halifax	2,985,854	*648,113	17.8
Windsor	2,951,493	197,091	7.1
St. John	2,761,333	24,364	.8
Brantford	1,274,010	*52,679	3.9
Kitchener	1,050,424	*211,467	16.7
Sherbrooke	949,077	* 88,180	10.2
Peterboro	926,603	126,470	15.7
Kingston	856,745	48,736	6.0
Moncton	835,465	*311,101	27.1
Total	$258,240,409	*$11,720,462	4.3

WESTERN BANK CLEARINGS

	Week ending Oct. 5	Increase over '22	P.C.
Winnipeg	$69,025,426	$984,614	1.4
Vancouver	15,499,907	955,667	6.9
Calgary	5,933,358	1,437,386	31.9
Edmonton	4,586,606	*300,240	6.1
Regina	3,303,082	*1,185,437	26.4
Saskatoon	2,251,090	*168,673	6.9
Victoria	2,095,910	*257,283	10.9
Moose Jaw	1,872,269	192,273	11.4
Ft. William	1,299,365	270,601	26.3
Brandon	952,609	128,055	15.5
N. W'minster	751,270	104,115	16.0
Lethbridge	724,938	*32,283	4.2
Medicine Hat	502,867	47,382	10.4
Pr. Albert	423,461	20,631	4.9
Total	$109,222,158	$2,196,808	2.0
East total	258,240,409	*$11,720,462	4.3
Grand Total	$367,42,567	*$9,523,654	2.5
Yr. to date	$11,919,497,183	$30,865,036	

*Decrease.

Jim Andrews—Salesman Swings His Hammer

JIM WAS a good salesman, but there was nothing he liked better than to sit in with a bunch of men and see who could knock the firm the hardest. As a real dyed in the wool "grouch," Jim was a champion.

But there came a time when Jim learned that the "ouch" in "grouch" was a sign that the only person who had been hurt, was himself. It took Jim some time to find this out, and he had some help before he traded his "grouch" for the "grin" that sweetened up his disposition and changed him from a crabbed "goat-getter" to a snappy "go-getter."

There are hundreds of Jims on the road to-day—hundreds who will read and enjoy

"GOOD-BYE, OLD GROUCH"
By Joseph Lister Rutledge

Don't miss this story of real life. The author has picked his characters from the everyday life of a modern business office and with the sure touch of a man who knows, reads us a lesson which carries a message for salesmen, executives, business men and their wives and families. This fine business story is one of the features of the

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, OCTOBER 12, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

WHERE HOME BANK DIRECTORS ERRED

IT IS being remarked in the street that the directors of the Home Bank were not bankers at all, and the impression conveyed is that they offended morally, if not legally, in the discharge of their trust in authorizing loans to companies in which they were interested as directors or shareholders. There are those who go so far as to take the attitude that the Bank Act should be amended so that no director of a bank shall borrow from that bank for himself personally or for any company of which he is a director.

As a matter of fact, it will be found that with all the banks some, if not all, of the directors belong to boards of companies which are heavy borrowers. In a great many cases it is the big customers of the banks which nominate directors because of their connection. To change all this would require a far-reaching readjustment in the country's banking and industrial system. And it is very doubtful if capable directors for the banks could be secured if they had no other interest than as shareholders.

On the point as to whether a general manager should be allowed to borrow from his own bank there are differences of opinion. The general feeling seems to be that while this might be sound if the approval of the board was secured, there would be a danger of the manager being able to get a loan passed without this formality. Another point made is that the general manager of a bank should be a banker first and last, and that he should not be interested in other enterprises. In the case of directors, however, it is regarded as more important that they should have a knowledge of and experience with general business than that they should qualify technically as bankers.

But while the directors of the Home Bank may not have offended in principle in making loans to companies in which they were interested, they certainly may be accused of exercising very doubtful judgment and of speculating in a number of precarious enterprises. Whether there has been anything more serious than this will be for the courts to decide.

TRAIL-BLAZING LIEUTENANT-GOVERNOR

LIEUT.-GOVERNOR COCKSHUTT, of Ontario, believes that the development of the natural resources of Northern Ontario will make the province one of the richest in the Dominion. Since returning from his trip to Moose Factory on James Bay, Col. Cockshutt has made it a point to address gatherings of business men of Toronto on the importance of opening up the North. He emphasizes the advantages from a Dominion viewpoint, from a provincial viewpoint, and then from the personal angle of the business man who would benefit by the growing market, the opening up of the country would create.

Great possibilities are seen by Mr. Cockshutt for the area north of Cochrane. First there will be the timber, and when that is removed there will remain 2,000,000 acres of excellent agricultural land available for settlers. In the vicinity of Oilcan Portage on the Abitibi there are, within a radius of 25 miles, waterpowers capable of developing 500,000 h.p. Emptying into Hudson's and James Bays are 200 rivers, 10 of which are larger than the St. Lawrence.

Col. Cockshutt expressed the opinion that as sure as the C.P.R. went to Vancouver, the railway will get to Moose Factory. He hesitated to predict when, but suggests that the businessmen of the province keep their eyes on James Bay.

On the occasions of his different addresses other speakers seized the opportunity to eulogize what they have been pleased to term "Ontario's trail-blazing lieutenant-governor." Though the term was quite applicable to the trip to James Bay, it was meant in a broader sense.

As one speaker pointed out, Col. Cockshutt has made Government House — the people's house — a goodwill builder for the province. The opinion was expressed that as a result the popular clamor to "abolish the Government House," has given way to one of popular approval. In this way Col. Cockshutt had blazed the trail for his successors.

PATERNALISM FOR THE FARMER

THE farmers of the United States have had a taste of paternalism in the Fordney tariff. One of the aims of this measure was to keep out Canadian wheat. But United States millers in the face of the tariff entered the Canadian market and bought Canadian wheat to mix with the softer product of their own country. And last week THE FINANCIAL POST pointed out how United States exporters had entered the Canadian market to fill their orders; shipping direct instead of buying in Chicago as in the days before the tariff barrier.

And still the United States farmers are clamoring for more paternalism. They are now demanding a higher duty on wheat. Cold water has been thrown on this, however, by the tariff commissioner who expressed the opinion that if a comprehensive study of the cost of producing wheat in the United States and abroad was undertaken, it might be found that a reduction in the tariff was justified. Now the politicians have turned their attention to a demand for a reduction in the taxes of the farmers. They have gone to President Coolidge for this. They also want wage advances halted and would like the idea of crop insurance worked out. It is quite apparent that the farmers of the United States are being used as are farmers of the Canadian West to back the cause of clever, selfish politicians.

"CONTRIBUTING FUNDS FOR OUR OWN UNDOING"

UNDER the above heading the Glace Bay Gazette describes how the funds collected in Canada and the United States for the starving Russians have been employed for Bolshevist propaganda in America, and brings the case home to Nova Scotia:

> "In the letters which the U. M. W. authorities in the United States have lately been issuing in the exposure of communistic propaganda on this continent, it is stated as an ascertained fact that the funds so collected were actually used for revolutionary agitation in other countries and not for the relief of distress in Russia. Canadian contributors to the Bolshevist fund, and there are not a few in Glace Bay and neighboring districts, must feel chagrined at this disclosure. The good money which they donated out of their hard earnings to the hungry peasants of Russia was sent back to their own country to be used in the subversion of their institutions and government. It is truly an interesting state of affairs."

At the time of the "Starving Russia" campaign, those newspapers which are continually pulling on the heart strings and pocket-books of their readers for charitable causes which they assume entail publicity benefits to themselves, criticized THE FINANCIAL POST for pointing out what is now being revealed by the U.M.W. after thorough investigation.

THE IMPORTANCE OF A RIVER—PLUS WORK

THERE is a river in Quebec province called the St. Maurice, not a large river nor widely known, but it has already added many millions to the wealth of Canada. It is a highway for the transportation of logs to pulp and paper mills; it is the source of many thousands of horsepower of electrical energy and its confluence with the St. Lawrence provides a valuable port for ocean-going vessels. At its mouth is the city of Three Rivers with 22,000 people and, because of its being on the St. Maurice, has four big pulp and paper mills turning out more than 700 tons of paper daily in addition to large excess quantities of pulp. Fourteen miles up the river from Three Rivers, work is proceeding rapidly on the dam of the St. Maurice Power Co., where 132,000 horsepower of electrical energy will be developed to be fed into the Shawinigan Water and Power system.

Nine miles above this dam is the town of Shawinigan Falls with a population of 11,000. The town is there because the power plant of the Shawinigan Water and Power Co. is there. Hydro-electric power to a total of 195,000 h.p. is developed. The Belgo-Canadian Paper Co. turns out 245 tons of newsprint paper daily and there are other industries, including cotton mill, aluminum plant, carbide plant, and producers of various other products linked with cheap electric power, these industries serving to utilize from the river an additional 50,000 h.p. of hydraulic power in addition to the Shawinigan's electrical development.

Within thirty-one miles of the mouth of the river is the beautiful town of Grande Mere, seat of the operations of the Laurentide Co., with a population of 8,000. The paper mill there has a daily output of 375 tons of newsprint and the power plant generates 164,000 h.p. Still further up the river the Brown Corporation develops 3,200 h.p. of electrical energy, used to operate a sulphate kraft mill of 200 tons daily capacity.

This more than half a million horsepower of energy; this daily output of over 1,300 tons of paper and the other sources of wealth of the valley are due to the presence of one rather small river. But before the river could produce this wealth, the energy of man and the initiative of private individuals had to be called into play. The wealth of the St. Maurice valley is a tribute not only to the forces of nature, but to the system that makes it possible for individuals to have room for work; work for the sake of doing big things and it is a tribute to a system of provincial government that does not discourage such private effort.

EDITORIAL BRIEFS

PHONETIC business English as exemplified in a sign on a store in Ottawa: "Entire stock of boots and shoes must be cleaned out at wants."

* * * *

THE Toronto Globe is horrified that money of the depositors should have been lost in rum-running, legal or otherwise. It will be enough for the depositors to know that it has been lost.

* * * *

ONLY one thing is really settled by Governor Pinchot's action in the anthracite controversy, and that is that the public will be called on to pay higher prices for domestic hard coal this winter, according to the New York Trust Co.

* * * *

THERE would seem to be justice in the claim of Home Bank creditors that the Dominion government should make a refund of income taxes paid by the bank in recent years, when, as a matter of fact, there would have been no income to tax had proper allowances been made for losses.

* * * *

PUBLIC-OWNERSHIP is making the handling of the mails in the United States more expensive than ordinary business methods. A group of periodical publishers have organized a private mailing system which is costing them much less than the present cost under government management.

* * * *

CURTAILED expenditures by the federal government to reduce the burden of taxation is demanded by the Nelson News, which declares that "the truth is that the vast increase in taxation and debt in Canada has arisen over and above war costs as a consequence of steadily increasing government expenditures on the bureaucracy in its various ramifications, and on various unnecessary and wasteful government activities."

* * * *

ALTHOUGH the Home Bank depositors were stampeded into a foolish resolution demanding that the government or the chartered banks pay them back their money, they balked when they were asked to endorse the radical proposal that the nationalization of the banks be demanded; the plan of the socialist busybodies was treated with timely derision.

* * * *

PRESIDENT COOLIDGE appreciated the importance of the business and technical newspapers. In a letter replying to an invitation to attend the dinner of the tenth annual convention of the Audit Bureau of Circulations he says:

> "The press is an important factor in the commercial and industrial development of our country. It carries an amount of scientific information which stimulates both the production and consumption of all kinds of commodities. This service is always on the constructive side of affairs, encouraging men to think better, to do better, and to live better. Reaching through it all, there is every assurance that to-day is better than yesterday, that to-morrow will be better than to-day, and that faith is justified."

Honest Principles and Fair Prices Make for Success, Says Flavelle

HAMILTON.—A sound practical outline of business principles, coupled with instances of personal experience, was given by Sir Joseph Flavelle, at the first of the Hamilton chamber of commerce business lectures.

"I am yet an undergraduate in the school of experience," opened the speaker. "I have learned a few things, not many, and, as you younger men have to travel the same road, I will submit some of the things which I learned. What should concern you chiefly in work is what it will bring you to, and not what it will bring you. Whether you are aware of it or not, your business and work, whatever it is, is reporting on you, and you are being measured by your job.

"If your job is not all that you think it should be and if you think that you are not being appreciated, under no circumstances slacken. It will be your own loss, because you will not only lose opportunities, but will be disobeying your obligations. The wrong which you do to yourself by such a course will last, while the others will pass away in time. And then there is your big problem. It should not be how to obtain the biggest share, but how to create something worth sharing.

Future Opportunities

"There is always a bigger possibility for you. Always a bigger and better position than the one which you occupy. The salary or accumulation of salary will come as a by-product if you seek the bigger things, and besides that, there will be the infinitely bigger reward: the man produced by the sustained effort to do well. Strive also to develop the man sincere in spirit, simple in mind, and strong in body, a man who fears and loves God and honors the King. This is not a standard for dress or parade, it is a solid idea that stands hard wear. You will reach the conviction, if these precepts are followed, that you have sufficient to make a well-rounded life. When you do that your fellows will trust, your seniors will consult you, and you will take your proper place. Seek advantage in thoroughly mastering an enterprise, and acquire an objective."

Modern Organization

Modern organization, said the speaker, is the concentration of ventures under one executive. He compared the human units in the game to pawns, to be moved by the higher-ups, but he strongly emphasized the need for the worker to retain individuality.

"A modern organization is gifted with great power, for good or the other way, and men are pushed around and welded to suit the general scheme. But it is very refreshing to find one of the cogs who refuses to be moved about at the will of others. There is a danger that the organizations to-day will grow into high drilled bodies and that mere men will be lost.

"The men I desire to reach are not the men of the big corporations, but the men of the businesses which are in the formative processes. I urge them not to substitute for personality by organization, for all organization radiates from a centre, from one man. Then there is the question of experts in various lines. When you are going into a business you need the advice of experts and specialists, but take it merely as advice, and not as command. Secure as much efficiency as you can without trying for too much. You can't get 50 horsepower out of a 5-horsepower engine, but if you have every unit tuned up you can get the full quota of 5 horsepower. This done, you can pray for the good sense to prevent personal vanity from leading you to destructive paths.

Urged a Close Check

"Secure a working knowledge of accounts in order that you may be furnished with accurate data in regard to your ventures. The results of close accounting will surprise you. The remedy for nearly all of the business ills lies on the inside. If you are not totally inexperienced, a personal investigation will reveal any trouble to you." The speaker cited an instance which occurred while he was on the munitions board during the war. The rigorous inspection which all munitions manufacturers were forced to submit to became too much for one of these, who was a friend of the speaker. He came to Sir Joseph and complained that the products of his factory were not being passed, and he stated that he was complying with regulations in every way. An investigation of his shop, accompanied by the speaker, revealed many small flaws which the men knew nothing of until they were pointed out to him. "Any time there is a loss, it will show a departure from practice when looked into."

Condemned Price-Fixing

The address was wound up with a word against price-fixing. Sir Joseph stated that it was very injurious for business men to get together and set certain prices. Sooner or later, he stated, one was bound to break the tie, and a dropping in the standard of the goods would result.

Big American Papers Teach Mob-Mindedness

NEW YORK.—The American press is bringing about "mob thinking" instead of individual thinking, Rev. Arthur E. Holt, of Boston, social service secretary of the Congregational Educational Society, charged recently at a conference of religious education at Northfield, Mass.

"One of the biggest problems of this country is how to get away from the spirit of mob-mindedness created largely by our large metropolitan papers," he asserted. "We must get back to individual thinking and away from thinking done for ourselves by others if our democracy is to be more of a success.

"We must have wideawake, intelligent opinion all over the country. A few big metropolitan newspapers must not be allowed to sway the thought of the whole country. Our big national curse is mob-mindedness. An idea springs up in a big city, is given wide circulation in a big newspaper, and the idea sweeps over the country like wildfire."

STOCK EXCHANGE TO DEFEND ITS NAME

ATLANTIC CITY.—The New York Stock Exchange has inaugurated a campaign to "fight the abuse and lies which daily are hurled at us," Seymour L. Cromwell, president of that institution, declared before the American Bankers' Association.

"We are tired of the abuse and lies concocted to make the public believe that the Stock Exchange is composed largely of a 'bucket shop' membership," asserted Mr. Cromwell. "Hereafter we intend to fight. We intend that every item of information in our possession which will enlighten the public concerning the men who are attacking us, concerning their records and their objects, shall be given to the public. If an office holder stops long enough at the Grand Central Terminal in New York City to call up the president of the Exchange and tell him that he wants a certain thing done for some one, contrary to the rules of the Exchange, and that he wants an answer in 15 minutes because his train leaves for Albany, where he is going 'to look into the bill aimed at the Stock Exchange,' we shall consider that threat an item of news and will give the gentleman's name and his threat to the newspapers.

"The Stock Exchange will continue to fight bucket shops and it will fight those affiliated with bucket shops who seek to make money out of the power given them by their political connections. Do not think I am attacking political parties or the great body of public men who are giving their time and earnest effort to the work of the government. The state of New York has in its legislature men of the highest type and in its other public offices men equally impeccable. It is not political parties with which I quarrel, but political pirates and those hangers-on of politics who are mixed up with politics and interfere with law enforcement."

Sir Adam Beck on the Rampage

Canadian Railway and Marine World.

In speaking at the Canadian National Exhibition directors' luncheon, on Hydro and Press Day, in Toronto recently, Sir Adam Beck, M. L. A., chairman, Hydro-Electric Power Commission of Ontario, and a member, without portfolio, of the Ontario government, made an unprovoked and rabid attack on companies operating public owned utilities.

The Toronto Globe reported him as saying:—"Corporations will not keep their obligations. They will not follow the laws and statutes under which they have been constituted. They create monopolies and in the end do not give what the people expect, service."

The Toronto Mail and Empire reported him as follows: "Sir Adam Beck stated that privately owned public utilities companies never obeyed the laws which permitted them to come into existence. Communities would draw up conditions, and, in return for having them accepted, would alienate important franchises, expecting that service would be their lot. The corporations, however, would never keep to their side of the agreements executed, and the communities were in consequence forced to take over their plants and to operate them with a view of securing public service and more favorable rates."

The reports quoted above are, of course, not verbatim ones. The present writer was among Sir Adam's hearers, and has no hesitation in saying that Sir Adam went much further than the daily papers credited him with doing, and practically charged all companies operating private utilities with being dishonest in their dealings with the public. Outside altogether of the bad taste of introducing a highly controversial subject at what was a social function, and knowing, as he did, that no speaker was to follow him, and that no matter how reckless his statements were they would not be contradicted on the spot. Sir Adam's charges were not based on facts, and are incapable of substantiation. That there have been isolated cases where companies have been in the wrong in their dealings with the public is undoubtedly true, just as there have been cases where municipal and other public bodies have not treated companies fairly and honestly, but to brand public utility companies as a whole with dishonesty was an outrage.

Were Sir Adam still merely chairman of the Hydro-Electric Power Commission of Ontario, such ravings might pass unnoticed, but now that he is a non-portfolio member of the Ontario government it is a serious matter, and Canadian railway and marine world cannot believe that the prime minister, Mr. Ferguson, and other portfolio holding members of the government share Sir Adam's jaundiced views. Were it otherwise public utility companies, no matter how honestly managed, could not expect any fair play from the government.

CURRENT OPINIONS

MUST USE CANAL

(London Times Trade Supplement)

Large quantities of British-made commodities are reaching British Columbia via the Panama Canal, and interests in the Pacific Province which are anxious to see a development of water carriage from Canadian Atlantic ports to British Columbia are warning Eastern suppliers that the combination of increased British preference in the Canadian tariff and high transcontinental freight rates by rail will make it difficult for firms in Eastern Canada to retain their business on the Pacific Coast, unless they patronize and encourage the intercoastal steamship service which has now been inaugurated on an experimental scale.

WHY THE INEXPERIENCED FAIL

(Canadian Grocer)

Some of the reasons why many starting in the retail grocery business fail are as follows:

Too many start with too little working capital.

Many who are unsuited by temperament to ever make successful retailers start in business, are hopeless failures.

A great many think it is a very easy matter to make money in retailing. They believe that by paying a dollar for an article and selling it for a dollar and ten cents, they are making ten cents profit.

There is also too much credit extended to new men in business and particularly those who have not previously been clerks or who have no information about it. Credit sometimes is too cheap.

There are many, too, misled by the old saying that "goods well bought are half sold." They think too much of their buying and not enough of their selling. The saying should be changed to "goods all sold are well bought."

A merchant the other day said that too many retailers think too much of their office and not enough of their main floor. In other words, their buying is done too recklessly and not sufficient attention is paid to selling.

To sum up these troubles, we might say that we have failures because too little science is paid to the retail business, there is too much guessing and too much trusting to luck, and not sufficient knowledge as to markets, conditions, overhead costs, and to selling.

BALANCING THE BUDGET

(Kingston Standard)

The premier in his fighting speech before he left to attend the Imperial Conference stated he anticipated that this year the budget will balance, and he seemed to think this would be a great achievement. The FINANCIAL POST says that upon analysis the gloss of satisfying optimism will be taken off. The premier appeared to imagine that people would be quite satisfied if the revenue balanced without further taxation being added to their already oppressive burdens.

There may, or may not, be an even break at the end of the fiscal year, but as THE FINANCIAL POST points out, if there should be, figures prove that of the improvement of $14,000,000 in the national finances for the first five months of the year, $11,000,000 were due to increased taxation, and only $3,000,000 to reduced expenditure. As THE FINANCIAL POST says: "Increased revenue comes from an increase in the tax burden of the country, whether in income and business taxes, custom dues, internal revenue taxes or some other form of impost, direct or indirect. It is not 100 per cent. satisfactory to contemplate an even break in the budget and to feel that it is due about 75 per cent. to increased tax burdens and about 25 per cent. to economy in spending."

If due economy had been exercised the premier might have gone to the Imperial Conference with a very different story as to Canada's financial condition; and it is noticeable that the announcement of a new $172,000,000 loan to meet an old one of a similar amount was made in the very week that the premier's optimistic review of the country's finances was made to the world.

NOT AN AGE OF MIRACLES

Montreal Witness

Recognizing that there is no saner class in our population than those who till the soil, it is proof that very serious conditions exist when evidences of this tendency are found in not a few agricultural areas. It manifests itself in unreasoning readiness to find fault with every present condition, and especially with every organization and authority. The Church is faithless. The ministers are impossible. The government is autocratic. The officials are selfish. The community is hopeless. The farmers' associations are rotten. All men are liars. And it is seen no less in the tendency to grasp with the same unreasoning readiness at anything, however new and untried, so long as it professes to offer any hope of relief. The new sects multiply. The new cults have their following. The new politicians are acclaimed. The new organizations, without any steadying inquiry as to leadership, principles, or objective, enroll and initiate their thousands. The new wizards with their vast schemes of economic reform are hailed with wild, half superstitious enthusiasm. Relief will not come through such means. Salvation from evil conditions can only come when saner tempers prevail. It is a time for the truly public-spirited citizen to possess his soul in patience and, as opportunity offers, begin to introduce the counter contagion of common sense, of judicious foresight, and of sane co-operation. He will quietly and with composure lay bare the folly and the evil of indiscriminate "knocking," and the essential treason of efforts to destroy by faction the strength which had been built up by years of steadfast organization. He will insist that in his circle whatever criticism there is shall be constructive, that no one shall tear down unless he have some reasonable capability of building better. By his own faithfulness and his own faith he will gradually re-establish confidence. And instead of relying upon the miracles of the wizards he will give his best thought to beating out in conjunction with the wisest and most experienced of his contemporaries such plans for the common well-being as may lead back again to happier conditions.

We recommend for purchase

NEW ISSUE

Province of Ontario

Twenty-five year 5% Gold Bonds

Due 15th October, 1948

Denominations: $500 and $1,000

Price: 98 and interest yielding 5.14%

Financially and commercially, Ontario is Canada's leading Province. Its population is more than one-third, and its annual production of agricultural, manufactured and mineral products over 45 per cent. of that of the entire Dominion; the average annual production for the last five years for which figures are available being over $2,400,000,000.

These bonds are offered for delivery in interim form on or about Nov. 1st, when, as, and if issued and delivered to us.

Orders may be telephoned or telegraphed to any of our offices at our expense. Securities will be delivered to purchasers free of all delivery charges.

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IN addition to the permanent character of service rendered, there is a long record of demonstrated earning power back of

Jamaica Public Service
7% Cumulative Preferred Stock

In no one year of the past 15 have the earnings available not been sufficient to pay present interest requirements and this preferred stock dividend. Earnings for the past 2 years have been approximately *three times* the dividend requirements of $38,500.

	Gross Earnings	Maintenance charged to operating expenses	Net after operating expenses	Net after expense and present interest requirements
1922	$541,032	$93,497	$181,431	$106,431
1921	536,866	78,061	185,376	110,376
1920	490,180	67,794	151,288	76,288
1919	383,664	63,202	154,767	79,767
1918	294,724	37,731	131,603	56,603
1917	287,210	34,936	120,112	45,112
1916	286,321	34,060	134,370	59,370
1915	274,317	27,182	123,540	48,540
1914	288.924	30,262	125,369	50,369
1913	284,841	29,137	128,584	53,584
1912	261,080	23,104	116,956	41,956
1911	263,108	24,964	122,014	47,014
1910	240,066	22,115	122,637	47,637
1909	236,065	25,740	113,885	38,885
1908	217,410	22,655	118,326	43,326

The Company supplies light, power and transportation to Kingston and suburbs, the largest city in the British West Indies, with a population of 120,000. Under the management of an international organization successfully managing 60 other utilities of similar character, investors are assured a maximum of operating efficiency.

Price: 95 to yield 7⅜%

We recommend this stock for investment.

Greenshields & Company
Montreal
Toronto **Ottawa**

Aemilius Jarvis & Co. Ltd.
Toronto
Montreal **Ottawa**

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

ROUYN GOLD MINES

Reader, Verona.—Kindly give me information as to Rouyn Gold Mines, Ltd.

Rouyn Gold Mines is in the unproven gold area of Quebec. It is a prospect only.

WASAPIKA

T. S. G., Ontario.—Could you write me as soon as possible about Wasapika Consolidated Mines.

Wasapika is a Shining Tree property. It represents a minority interest. Ribble Mines controls Wasapika. There are better mining speculations.

WINNIPEG-COBALT

Mrs. G. C., Saskatchewan.—I shall be obliged if you will be so good as to tell me about Winnipeg-Cobalt Prospecting and Development Co., Ltd., existed 1907.

The company was organized in 1907 with head office at Keora. It has not appeared in the reports of the Department of Mines since.

S. V. 329 MINE

Financier, Chicago.—A financial house of Chicago asked me to inquire of you about S. V. 329 Mining Co.

The company was organized in 1911, with head office at Walkerville, capital $1,000,000. It has not been heard of since. We have no way of learning what property they had, if any.

SIX PER CENT BONDS

J. H., New Brunswick.—What do you consider the best bonds for an investment with safety and salability, outside of government bonds? I would also like your opinion on Southern Canada Power, first mortgage bonds 6%, and Hull and Ottawa 6% first mortgage bonds. I would like to invest in bonds that would give a little higher yield than government bonds do at present.

Enquirer, New Brunswick.—There are numerous issues of industrial bonds which offer safety, but only in a few cases does the saleability approach that of government bonds. Both the bonds you mention would appear suitable for your purposes.

ZENITH COMPANIES

F. H. D.—I shall be glad to have an expression of opinion regarding Zenith Companies, Inc., and if a market can be found for the stock.

The Zenith Companies, Inc., was a holding company which controlled the Merchants Casualty Co., and the Union Fire & Casualty Co., in Canada. Following the failure of the latter company, the former was purchased by Waterloo interests. We understand the Zenith Company is being wound up by a Minneapolis liquidator, whose representative in Canada is the Royal Trust Co., Winnipeg. There is, of course, no market for the stock.

CANADIAN OIL AND MINING REVIEW

Inquirer, Ottawa.—We are taking the liberty of writing you in connection with Mining Brokerage Co., publishers of the Canadian Oil and Mining Review. We have not received this periodical since June and have received no answers to our letters.

The Canadian Oil and Mining Review, we are informed, has gone out of business. We were unable to find out at their former place of business, Standard Stock Exchange Building, just where the principals of the concern are located. If we should happen to get this information we will foward it to you immediately.

WAYAGAMACK

Enquirer, Oxford.—Would you advise re Wayagamack 6% bonds at 78?

The Wayagamack bonds are secured by a first mortgage on security which include fixed assets of $6,195,000. The total assets are $14,174,000 and the bond issue, $4,580,000. The equity would appear to be satisfactory for an industrial project of this kind. The company is making a slow but definite recovery from the depressed conditions it got into as the result of a readjustment in the market for products some two or three years ago. The company is operating to greater capacity than it has for some time past and is marketing its products without difficulty. The one weak point is the fact that Canadian wrapping papers are shut out of the American market by a high tariff, making necessary a vigorous campaign in other foreign markets. Altogether, however, Canada's position in regard to raw materials for the manufacture of paper should give reasonable assurance as to the future of this industry.

GOODYEAR TIRE

R. H., Nova Scotia.—Would like your opinion regarding Goodyear Tire & Rubber 6% prior preference at 83½.

The Goodyear Tire and Rubber Co. is a highly efficient and well-organized industry, but there is an element of speculation in the tire business as has been exemplified in the past and must be considered in looking to the future. Practically any industry which has expanded so rapidly is bound to be affected by periods of prosperity and depression. In view of past experiences, however, we believe that there is every assurance that this company will be able to successfully meet conditions in the future. A year or so ago, during the period of readjustment, the stock fell to a low level, but has since made a rapid recovery.

MILLER LAKE SILVER STAR

W. A. W., Montreal.—There has recently been offered in Montreal stock in the Miller Lake Silver Star at 50c. a share. If you happen to have any information on this proposition I would appreciate a reply.

Miller Lake Silver Star mine purposes to amalgamate with the Haultain Mining Company. Both concerns have a capitalization of $2,000,000. The proposal is that the Haultain Company should pay for the Miller Lake concern, in stock, $403,372, and assume all the liabilities of the company. This is really on the basis of one Haultain share for four of the Miller Lake shares. Both have property in the Gowganda Mining area. Their claims are located somewhere between Elk Lake and Gowganda, and might be considered fair prospects.

OTTAWA ISSUES

W. M. S., Nova Scotia.—Would you please advise me if you consider Ottawa and Hull Power preferred, and Ottawa Light, Heat and Power preferred, safe investments.

Ottawa Light, Heat & Power Co. 6½ per cent. cumulative preferred shares may be regarded as a reasonably safe investment. Earnings for 1922 were sufficient to meet preferred dividends about four times and the steady growth of earnings has been such as to indicate that this may be taken as representative of the company's proven earning power. This was, however, before depreciation, but allowing the amount provided in 1922 for depreciation, preferred dividends on the present basis were earned about three times in that year.

Ottawa and Hull Power Co. preferred stock is somewhat more speculative, the figures of earnings that are provided being more or less in the nature of estimates based upon the proposed increased capacity of the plant. The speculative feature is balanced by the larger yield and a bonus of common stock which combine to make it a satisfactory purchase for the business man who can accept the small element of risk involved.

CANADIAN PAPERBOARD

Enquirer, Oxford.—Would you advise regarding Canadian Paperboard 7% bonds at 95.50, security of principal the first consideration, interest second.

The Canadian paperboard bonds are well regarded in the industrial class, but the market is not a wide one. There is a proposal to have the issue listed, and this would remove any objection in this connection. Bonds outstanding amount to $800,000, secured by a first mortgage on the entire fixed assets of the company, and also a floating charge on its current assets. Further bonds may be issued only to the extent of 75 per cent. of actual cost of properties, extensions or betterments and provided net earnings are at least two and one half times interest requirements on outstanding bonds, including those to be issued. After March, 1924, $30,000 is to be paid to the trustee annually to establish a sinking fund for redemption of the issue. After 1924, bonds are subject to call by lot for sinking fund purposes only at 105 and accrued interest upon giving three months' notice. The business, originally established at Campbellford, Ont., over twenty-five years ago, was purchased by the present interests in 1906. To-day the company is the largest manufacturer of its kind in Canada, with a capacity of 125 tons per day. The company owns water rights on the Lachine Canal, Montreal, also on the Trent River, at Frankford and Campbellford, where a limited amount of power has been developed and the completion of this work will furnish sufficient power for requirements. The bonds were first offered to the public in April, 1922, at 95¼ and interest. The rate 7 per cent.

Points Raised in Great West Reorganization Plan

A shareholder of the Great West Permanent Loan, who is interested in the matter of the control of this and associated companies, and the re-organization proposal of Shareholders' Securities, Ltd., has submitted to THE FINANCIAL POST certain questions. He expresses the belief that "the present management is not satisfactory to anybody but themselves," but at the same time has doubts as to whether the reorganization proposal offers any advantages. Following are his questions and answers in reply thereto based on information which has been secured by THE FINANCIAL POST from the promoters of the reorganization plan and other sources:

Can the new company rehabilitate the old companies without the addition of new funds if the condition of the old companies is such as indicated? In brief what are the benefits of the change in control?

If it is necessary to raise additional funds to rehabilitate the Great West Permanent and the Imperial Canadian Trust Co., it is suggested that the proposed plan would put these companies in a position to obtain such funds either by way of absorbing other companies on an equitable basis or by direct acquisition of such funds on some basis that would be approved.

Should the preferred dividend of the new company not be cumulative? What would hinder the holders of the common stock in control of the common not paying dividends for a long period of years, thus enhancing the value of the common stock to the detriment of the preferred holders?

Preferred dividends should be cumulative in one sense to avoid the contingency which you mention. On the other hand it might be impossible to pay dividends in the loan company for some time, and it is said that one of the present directors of the Fire Company feels that it should consider discontinuing dividends until a more substantial surplus is built up. An answer to the objection raised is the fact that the preferred shareholders are now to be given full voting power in Shareholders' Securities, Ltd., and by this can instruct the board of directors as to what policy should be followed. The common stock participation in earnings would, it is obvious, be small in any event.

What control would there be over the future of the shares particularly as to enlarging the common stock issue?

Preferred shareholders having full voting power would have it absolutely in their own hands to approve or disapprove proposed increase of the common stock issue.

What is the answer to the suggestion that the proposition gives the holders of the common stock a wide field for manipulation for their own benefit without the investment of anything in the company?

The same answer applies to the suggestion that the common shareholders could manipulate for their own benefit without any investment. This it was felt was originally covered by letting the preferred shareholders appoint half the board of directors, but now the preferred shareholders have been given full voting power.

What is the answer to the suggestion that the directors can give themselves salaries at the expense of preferred shareholders?

The change which gives the preferred shareholders full voting power should also mean adequate control over salaries paid.

Is there adequate assurance of protection against a low valuation being put on the assets of the company thus immediately enhancing the value of the common stock?

Protection against a low valuation being put on the assets seems reasonably assured in the appointment of a board of arbitration. The preferred shareholders have a half interest in one appointment and full power to appoint another, these two arbitrators to appoint a third. It would be difficult indeed to enhance the value of the common stock to any substantial degree, because each share only participates in the dividends at the same rate on a maximum of $10,000, as the preferred receive on a maximum of several millions. Assuming that the fire company's shares were valued at par, making the class A. preferred issue approximately $2,000,000; that the Great Western Permanent shares are valued at $50, making the class C preferred issue $1,250,000, and the Imperial Canadian Trust valued at $20, giving an approximate class C issue of $200,000, this would make the preferred share issue $3,450,000, as against the maximum issue of $10,000 of common stock. Consequently the preferred would participate in the earnings over and above 8 per cent. on the 3,450,000, assuming these figures, as a rate of approximately 35 to 1 for the common shares.

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5% Bonds **Due 1924-1953**

Toronto, with a population of over 529,000 is the second largest city in Canada, and the Capital of Ontario, the Dominion's wealthiest and most populous Province. These bonds are a direct obligation of the City of Toronto at large and are backed by its full taxing power.

We offer these bonds subject to previous sale at

Price to yield:

1927-1943 maturities	**5.25%**
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Gairdner, Clarke & Co.

312 Bay Street
Toronto

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NEW ISSUE.

$600,000
6½% First Mortgage Bonds
of the
REGENT KNITTING MILLS
LIMITED

Denominations of $100, $500 and $1,000. Dated September 1, 1923. Payable at La Banque D'Hochelaga and the Bank of Montreal at Montreal, and St. Jerome, P. Q. Coupons payable March and September.

The Company The Regent Knitting Mills, Limited, operates as sole owner two knitting mills in Montreal and St. Jerome, P.Q., and owns a substantial stock interest in textile mills at Guelph, Ontario, and Syracuse, New York. Specializing in sweaters and tricolette, the company sells to most of the large stores of Canada in addition to doing an export business. The company employs over 200 workers in Montreal and 400 at St. Jerome.

Object of This Issue To reduce bank loans, and provide additional working capital and to enlarge the mill at St. Jerome and instal machinery that will reduce wage bills.

Security for the Issue The bonds are secured by a first mortgage on land, buildings, machinery and other assets of the company, and on the company's interest in the mills at Guelph and Syracuse the whole having a minimum valuation of $1,300,000, not counting future extensions. Earnings it is estimated will total at least three times interest charges. The earnings have averaged $80,000 a year for the last 5 years.

Term of the Issue The bonds are repayable: $20,000 in 1926; $22,500 in 1927; $25,000 in 1928; $27,500 in 1929; $30,000 in 1930; $32,500 in 1931; $35,000 in 1932; $37,500 in 1933; $40,000 in 1934, and $330,000 in 1935. Redeemable at 103 and interest.

Price: 100 and accrued interest.
Further information supplied on request.

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SELL PRIVATELY

New Westminster sold $10,000 six per cent. consolidated bonds maturing in 1945, privately, to the Westminster Trust Co. at 100.

BARRY HOLLINGER SINKING

The work on the Barry Hollinger at Boston Creek is progressing nicely. The shaft is down 240 feet. The company intends to go down a further 200 feet before crosscutting is commenced.

NEWS AND VIEWS ABOUT BONDS

LARGE SYNDICATE BUYS $40,000,000 OF ONTARIO BONDS

Steady Demand Reported Following Sale of Dominion Loan

The quick absorption of the Dominion loan has introduced into the financial situation a renewed confidence in present bond prices and revealed a strong demand for good investments. The later demand for the bonds has been so great that they have been traded in freely at 98 to 98.25, prices considerably in advance of the issue price to dealers. There is reason to believe that the floating balance on the market will be smaller than is usual in such cases.

Many holders of 1923 Victory bonds are unable to convert them at the issue price. This, coupled with the supply of funds available from interest and dividend payments on Nov. 1, would indicate that investors can absorb further supplies. That this view is held by some issuing bodies is evident in the bond sales announced and being arranged.

Arrangements have been concluded with a strong syndicate of bond houses to handle $40,000,000 Province of Ontario 5 per cent. bonds, due in 25 years.

The syndicate consists of Wood, Gundy & Company, A. E. Ames & Company, Dominion Securities Corporation, Aemilius Jarvis & Company, R. A. Daly & Company, Matthews & Company, McLeod, Young, Weir & Company, Gairdner, Clarke & Company, National City Company, Hanson Brothers and Harris, Forbes & Company.

The sale was made privately and the purchase price has not been announced. The bonds will be offered immediately at 98 to yield 5.14 per cent. This is the same rate as that offered in the case of the Dominion loan. Ontario had previously called for tenders on $15,000,000 of bonds payable in Canada and $15,000,000 payable in New York. The tenders received were not considered high enough and were refused. In view of the present firmness in the market, it is understood a more favorable price was obtained and the amount increased to $40,000,000, the biggest Ontario issue ever floated in Canada.

The New York market continues to show little interest in bonds, and prices remain depressed. The drop in exchange has made it possible to bring bonds from that market to Canada at a profit. That is being done to some extent, but dealers are having difficulty in securing bonds, as holders show little disposition to sell.

Point Grey Issue

The Municipality of Point Grey sold $75,000 twenty-year 5½ per cent. sewer bonds to the Royal Financial Corporation at 100.14. The bids were:

Royal Financial Corp.	100.14
A. E. Ames & Co., Pemberton & Son	99.393
Canadian Financiers' Trust Co.	99.01
V. W. Odlum & Co.	99.41

Buy Etobicoke Bonds

An issue of $71,700 5½ per cent. 30-instalment debentures of the township of Etobicoke was awarded to Matthews & Co. at 100.81, representing a cost basis to the municipality of 5.42 per cent. Bids were as follows:

Matthews & Co.	100.81
MacNeill, Graham & Co.	100.67
W. O. Mackenzie & Co.	100.63
Bain, Snowball & Co.	100.517
C. H. Burgess & Co.	100.43
Dyment, Anderson & Co.	100.41
Murray & Co.	100.38
Gairdner, Clarke & Co.	100.372
Harris, Forbes & Co.	99.79
W. B. Brent & Co.	99.622

Quebec Municipal Issues

Rene T. Leclerc, Inc., have been awarded the following two municipal issues:

$150,000, town of Chicoutimi, 5½ per cent. bonds, maturing serially from 1924 to 1933, at a price of 99.05.

$140,000, town of Ste. Therese, 5½ per cent. bonds, maturing serially from 1924 to 1948, at 99.26.

Nelson Sells $86,000 of its Bonds Locally

From Our Own Correspondent.

NELSON, B. C.—The city of Nelson some time ago decided, in order to finance the construction of new schools and of a civic power line extension to Balfour, to offer its debentures to the residents of Nelson rather than to a bond house.

At first it has been intended to treat only $40,000 worth in this manner, but the response of the Nelson public was so surprisingly good that it was decided to make a further issue, and the sales have now closed with $86,000 being subscribed.

The bonds were for twenty years, paying five and a half per cent., with interest payable half yearly.

Net Debt of Country Reduced in September

MONTREAL.—The main features of the September financial statement of the Dominion may be summarized thus:

Net debt, ...down $5,349,512
Expenditure, ...down $717,000
Revenue ....down $903,000

The total gross debt on September 30 this year was $2,923,999,845.13, as compared with $2,967,982,080.71 at the same time last year, while the total active assets on September 30 this year were $525,752,361.98, as compared with $583,951,237.41 on the same date last year.

Reliable Investment Firm Will Protect Investors in Its Bonds

The protracted negotiations to protect the bondholders of the Des Moines City Railway illustrate the advantages to investors in dealing only with financial houses with an established reputation. The importance of investing only through a reputable house can hardly be overestimated. Frequently THE FINANCIAL POST has urged its readers never to place their investments through individuals or strangers. The services of such are no cheaper, but the results may be vastly more costly to the investor who invests merely on faith. The service of a good investment house to its clients should not end with the sale of securities to them. Such a house should not only carefully investigate each security before offering it to the public, but should endeavor in every way possible to protect the security holder's interests in the event that anything goes wrong later on.

In 1916 the Des Moines City Railway Company put out an issue of general and refunding five per cent. bonds. A Chicago investment house, with its New York associate, underwrote the issue and sold it to the public. The bonds were considered a sound investment.

During the war the company which was operating on a five-cent fare franchise, was unable to operate at a profit, and, in December, 1918, at its own request, a receiver was appointed. The investment house which sold the bonds immediately formed a protective committee for the bondholders and requested a deposit of their bonds. This committee, composed of officers of the bond house, started working for a new franchise for the company, so that it might again operate at a profit for the benefit of the bondholders. Fares were raised to six cents, and then to eight cents, by court order, but the company was fought at every turn, and shortly after the establishment of the eight-cent fare, owing to encouragement given by the city council, motor buses commenced operation in the city. These buses plied the street car routes, offering transportation at a five-cent fare. This competition became so effective, that, after a few months, the court ordered the street railway company to discontinue operation.

The public soon realized that it could not get along without any street car service and negotiations were entered into with the city, in which Des Moines business men took an active part. The result was that a "service at cost" franchise was granted the company, which provides for a sliding scales of fares. This franchise was accepted by the company, January 25, 1922, and by April 1, 1922, the company was able to make such satisfactory representations to the court that the receivers were discharged and the property returned to the company. The company had defaulted the July, 1921, and and January, 1922, interest on its bonds, but, on the discharge of the receivers, the defaulted interest was paid to the bondholders, together with interest upon the overdue interest.

In this case, as in many others, the honesty and stability of the issuing house was a vital factor in maintaining the security of the bond issue.

COMMITTEE MEETS DIFFICULTIES IN SETTLING CLAIMS

Defaulting Municipalities Are Slow in Making Acceptable Offers

Holders of bonds of defaulting municipalities in Alberta are expressing satisfaction with the effective supervision being exercised by the Board of Public Utility Commissioners. THE FINANCIAL POST learns that the recommendations for readjustments have been approved by 60 per cent. of the bondholders in all cases, except Bassano, Bow Island, and Redcliffe.

The recommendation in the case of Bassano, provides for the issuance of registered income certificates of indebtedness to the amount of $54,647.98 for the town, and $3,122.70 for the school district, to cover the present value at 6 per cent. of principal, sinking fund and interest maturing up to and including October 1, 1924, in case of the town, and January 7, 1925, in case of the school district. The recommendation for Bow Island provides, in part, for the issuance of registered income certificates of indebtedness to the extent of $15,113.92 for the town, and $6,782.23 for the school district.

The basis of the agreement is that any surplus of revenue over expenditure at the end of each year will be applied on interest, payments to be made March 1, each year.

The town of MacLeod is carrying on under the provisions of a recommendation, dated September 25, 1922.

Damage to the waterworks system to the extent of some $4,000 resulted from spring floods, and this matter is receiving the attention of the Committee representing debenture holders.

In the case of Redcliffe a garnishee summons was issued by the Royal Bank for $7,465. The Board of Public Utility Commissioners succeeded in having this withdrawn and an agreement entered into with the bank provides for payment of principal and interest over a period of five years.

A recommendation, in the case of Taber, provides, in part, for issuance of registered income certificates of indebtedness to the amount of $72,743.35 for the town, and $19,396.03 for the school district, to cover sinking fund shortage, past due principal and interest, with accrued interest at 6 per cent., and the present value at 6 per cent. of sinking fund, principal and interest up to, and including, January 1, 1926, in case of the town, and up to, and including, December 31, 1925, in case of the school district.

An entirely different situation appears to exist in Saskatchewan, and bondholders express disappointment at the failure of the local government board to make acceptable proposals.

At the request of holders of the towns of Scott, Humboldt, and Battleford, a general meeting of the holders of Saskatchewan municipalities and school districts was called by the municipal finance committee for September 5, 1923. The proceedings indicated clearly that the debenture holders are determined to enforce collection of the amounts due them.

The local government board has intimated that it was not prepared to make any order in the case of Battleford, and the debenture holders are contemplating legal action. A draft order has been issued in the case of Humboldt, wiping off past due interest. It is unlikely that this will be acceptable to the holders.

The proposed agreement with Melville has received the full sanction of the local government board. The board and a representative of the bondholders reports that the town of Scott is in bad shape. There is a disposition to enter an agreement modelled on a resolution of the town council, providing that $22,485, interest since 1916, be applied upon principal of $136,226.02, and that the balance, amounting to $113,740.66, be paid by a levy, not to exceed 15 mills on the dollar, upon the total assessment of the town annually and without interest, same to be paid as collected.

British Columbia Will Refund Bonds in London

VICTORIA.—Refunding of British Columbia's short term securities will be done in London, according to Hon. John Hart, provincial minister of finance, who has just returned from England, where he made an investigation at first hand of British financial conditions.

Mr. Hart's policy has been to raise money for various development purposes such as highway building and irrigation work by means of floating loans in the New York market through the medium of short term securities. This policy was dictated by the disturbed economic conditions abroad, but took into consideration the inevitable recovery and the desirability of refunding the American borrowings by floating new loans in the London market at maturity.

Mr. Hart was favorably impressed with the course of developments in London's financial situation and expressed the belief that the British capital would again reassert herself as undisputed financial mistress of the world.

OFFER DRY DOCK BONDS

A new issue of St. John Dry Dock and Shipbuilding Co. bonds is being offered by Aemilius Jarvis and Co., Ltd., and Murray & Co. The offering totals $950,000, first mortgage 5½ per cent. thirty-five year serial bonds. The Dominion of Canada unconditionally subsidizes payment of both principal and interest on the issue, which is being offered at prices to yield from 5.25 per cent. to 5.35 per cent., according to maturities.

BOND MOVEMENTS OF THE WEEK

Week Ending October 9.

BONDS—	Rate	Year	Yield	High	1922	Range	1923		Latest	Price	
	Int.	Due		Range	Low	High	Low	Ask	Bid	High	Low
Can. Bread	6	1941	6.05	99	98½	100	96	99½	99	99½	—
Can. Cement	6	1929	5.50	100¼	94	103	100	—	102⅝	102½	—
Cons. Rubber	6	1946	6.06	100¾	88	102½	99	—	—	99¼	99
Cedar Rapids	5	1953	5.27	97½	93	98¼	94⅞	96½	95	96	94
Dom. Tex. C	6	1925	6.00	101	97¼	100½	100	—	100	100	—
Dom. Tex. D	6	1925	5.73	100	98	100¼	99¾	—	100	100¼	—
Intl. Train	5	1941	5.73	93¼	87½	96½	89¼	90½	90	91⅝	—
Nat. Brew.	6	1939	5.60	101½	97	104	101¼	104	99½	104	—
Ogilvie	6	1932	5.43	102½	100	103¼	102	—	—	104	—
Que Rly.	5	1939	7.10	87¼	65½	82½	68	80	79½	79¾	79¼
Steel Co. of Can.	6	1940	5.88	100¾	97	102½	99	101½	101	101¼	—
Sao Paulo	5	1929	7.32	91¼	80	90¼	88¾	—	—	89⅞	—
Wayagamack	6	1951	7.95	88¾	71¾	86¾	78	78	—	78	—
War Loan	5	1925	4.70	96.30	96.10	100.95	99.10	100.75	100.65	100.75	.....
War Loan	5	1931	4.75	99.60	96.25	101.80	99.80	101.35	101.25	101.45	101.10
War Loan	5	1937	4.72	101.50	99.50	103.30	102.00	102.75	102.15	103.00	102.05
Victory Loan	5½	1923	5.50	100.70	98.75	100.95	100.00	100.05	99.95	100.00	99.75
Do.	5½	1924	5.14	100.75	98.00	101.50	100.25	100.55	100.45	100.50	100.25
Do.	5½	1927	4.80	102.70	99.75	103.50	101.75	102.75	102.65	102.75	102.20
Do.	5½	1933	4.80	104.35	101.25	106.70	104.40	105.55	105.45	105.70	105.35
Do.	5½	1934	5.22	101.35	98.30	103.90	101.30	102.35	102.25	107.45	101.90
Do.	5½	1937	4.70	106.35	103.00	108.45	106.50	107.80	107.70	107.90	107.35
V. L. Renewal	5½	1927	5.03	101.10	99.40	102.80	101.00	101.50	101.00	101.95	.....
Do.	5½	1932	5.20	101.00	99.70	103.15	101.00	102.00	101.90	101.90	101.50

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6% Gold Bonds
Denominations $500 and $1000
Dated Oct. 1st, 1922—Due Oct. 1st, 1952

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These Bonds are readily marketable, being listed on the New York Stock Exchange, and we recommend them as a well secured long term investment.

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Arrange Big Program for Conference in Winnipeg

The annual conference of the superintendents of insurance of the provinces of Canada will be held at the Hotel Marlborough, Winnipeg, on Oct. 16, 17, 18 and 19. A number of important subjects affecting various branches of insurance will come up for discussion. Reports on the Uniform Fire Insurance Policy Act, the Model Insurance Act, and Dominion legislation will be presented by V. Evan Gray, superintendent of Insurance for Ontario. Reports on Forms of Annual Returns of Provincial Insurance Companies and Underwriters' Agencies will be given by Charles Heath, the Manitoba superintendent. Other reports on reciprocal provincial deposits for interprovincial companies, joint inspection of provincial insurance companies, and reserves for insurance companies other than life, will be presented by A. E. Fisher, of Saskatchewan, W. M. Seller, Alberta, and H. G. Garrett, British Columbia, respectively.

The program of the final day will be devoted to a consideration of fire prevention, and will be in charge of the Association of Canadian Fire Marshals.

Tossorontio Township Had Home Bank Deposit

The township of Tossorontio borrowed $2,000 from the Home Bank, but had not chequed it out before the bank suspended. It looks very much as though the township is liable for the full amount of the loan and will have to take its chances with other depositors in recovering the amount to its credit when the bank suspended payment.

CIVIC AND PROVINCIAL FINANCE

CANADA'S INCOME SHOWN IN DETAIL FOR FIRST TIME

Dominion Bureau of Statistics Makes Careful Estimate of Wealth

From Our Own Correspondent.

MONTREAL. — Manufacturers in estimating their markets; economists in determining the national income, and other delvers into statistics, are going to find a new series of compilations by the Dominion Bureau of Statistics of considerable importance to them. The bureau has been making a survey of production in Canada with a view to determining the national income. Figures have been available in the past of the production in various lines, such as agriculture, manufacturing, fisheries, minerals, etc., but it is obvious to anyone who gives the matter a moment's thougnt that there must be a tremendous degree of overlapping between these lines of economic activities. The production of butter, for instance, involves a certain amount of effort that must be classed as agricultural, and a certain amount as manufacturing, and records in the past have made no distinction between the different types of work. The new survey by the bureau makes allowance in its figures for overlapping and presents perhaps the first true estimate of the income of the country that has been made.

Canada's National Income

The bureau estimates the net income from various classes of production; that is, after allowing for all overlapping, at $3,681,948,905. Adding to this a percentage for such services as are rendered by retail merchants, by transportation agencies, by professional men, etc., the national income seems to be approximately $5,500,000,000. Comparison of this figure with the national income of other nations would indicate that Canada is well up among the nations.

Industry seems to be most important source of income in the country. The gross value of products produced in Canadian manufacturing plants is aproximataely $3,600,000,000. This figure is reduced to about $1,600,000,000 on account of deduction for overlapping with other lines of production. Agriculture is second in source of income, producing approximately $1,500,000,000.

The figures upon which the present review is based are those of 1920.

Sources of that Income

The following figures indicate the comparative value from a productive standpoint of the sources of Canadian income. The figures in each case are net.

Sources of Canadian Income

Manufactures	$1 558,544,194
Agriculture	1,519,842,776
Forestry	408,831,482
Mining	213,041,395
Construction	135,874,044
Electric Power	65,705,060
Custom and repair	63,962,896
Fisheries	49,241,339
Trapping	20,999,300
Total	$3,681,948,905
Professional services, about	$1,800,000,000

The figures seem to indicate that Ontario has by far the largest per capita income of any province and produces about 38 per cent. of the national income. The standing of the various provinces is shown in the following figures:

		% of total
Ontario	$1,399,556,657	38.0
Quebec	962,419,765	26.2
Saskatchewan	287,312,910	7.8
Alberta	264,571,430	7.2
British Columbia	229,138,933	6.2
Manitoba	210,699,661	5.7
Nova Scotia	185,292,183	5.0
New Brunswick	115,305,489	3.1
Prince Edw. Is.	24,399,552	.7

What Provinces Depend On

It is indicated that Nova Scotia is dependent largely upon agriculture and manufacturing for its income, with the mining industry also of importance.

Agriculture, including fur farming, is the chief occupation of the people of Prince Edward Island.

In New Brunswick, farming is the chief industry, with lumber a close second. Manufactures are also of importance.

In Quebec the manufacturing produces a greater income than any other industry. Farming holds second place, and forestry, third place.

In the province of Ontario a similar order prevails. The pre-eminence of manufacturing is even more marked than in her sister province Quebec. Agriculture and forestry are the next most important source of income, with mining and construction coming behind.

In Saskatchewan nearly 87 per cent. of the income is derived from farming, and Manitoba and Alberta show large percentages as well. Manufacturing holds a fairly well defined place in Manitoba, and in Alberta mining is also of considerable importance.

In British Columbia lumber is the chief industry, although manufacturing, agriculture and mining, are also of importance, indicating the versatility of the resources of the Western provinces.

The Yukon district is chiefly important on account of mining, and with trapping also entering into the district's annual wealth.

The sources of Canadian income are more extensively classified in the following table:

Agriculture	
Field crops	$1,354,416,000
Fruits and vegetables	60,222,000
Maple products	8,100,000
Tobacco	5,893,000
Total field husbandry	$1,428,631,000
Live stock	145,935,000
Wool	5,280,000
Dairy products—	
Dairy butter	56,250,000
Whole milk used as such	57,750,509
Milk sold to factories	113,550,718
Dairy factories	32,785,773
Poultry and eggs	45,000,000
Fur farming—	
Pelts	387,705
Animals	763,071
Total animal husbandry	$ 91,211,776
Total agriculture	$1,519,842,776
Forestry	
Logs for lumber	$ 91,527,134
Pulp wood	61,183,060
Railway ties	13,405,473
All other forest products	45,849,787
Total forestry operations	$211,965,454
Saw mill products	100,718,055
Pulp mill products	96,147,973
Total milling operations	$196,866,028
Total forestry	$408,831,482
Fisheries	
Fish sold fresh by fishermen	$ 12,926,809
Sales to canning and curing establishments	14,347,089
Fish domestically cured	5,414,383
Fish canning and curing	16,553,058
Total fisheries	$ 49,241,339
Trapping	
Fur production (wild life)	$ 20,999,300
Mining	
Pig iron from Canadian ore	$ 1,448,727
Non-ferrous smelters	35,600,000
Other metallics	26,072,633
Salt refining	1,544,724
Other non-metallics	106,483,223
Cement	18,594,276
Brick and tile	9,591,426
Fire brick and fire clay	1,150,870
Clay and sewer pipe	1,467,847
Stoneware and pottery	1,284,214
Lime	3,333,159
Other structural materials and clay products	6,470,296
Total mineral	$213,041,395
Electric light and power	$ 65,705,060
Construction	
Bridges iron and steel	$ 12,528,481
Electrical wiring	2,905,960
General construction	86,566,124
Shipbuilding	33,873,479
Total construction	$135,874,044
Custom and repair	$ 63,962,896
Manufacturing	
Vegetable products	235,709,433
Animal products	152,995,130
Textiles	192,984,741
Wood and paper	299,582,226
Iron and steel	365,473,097
Non-ferrous metals	88,447,178
Non-metallic minerals	91,371,578
Chemicals	65,183,212
Miscellaneous including shipbuilding	66,797,599
Total manufactures	$1,558,544,194
Grand Total	*$3,681,948,905

*Duplication deducted in making up grand total.

Offer $500,000 Bonds Of Ottawa "Power" Co.

From Our Own Correspondent.

MONTREAL.—As another step in the reorganization of the financial structure of Ottawa "Power" an offering is being made of $500,000 of bonds of Ottawa Light, Heat and Power Company. The bonds, which are practically a first mortgage issue, are being sold by Royal Securities Corporation at par to yield 6 per cent., the rate being 6 per cent. and the term thirty years.

The bonds are part of a total authorized issue of $6,000,000, of which $500,000 are now being issued; $350,000 remain in the company's treasury ready for issue; and $1,580,500 are reserved for refunding bonds of subsidiary companies. The remainder may now only be issued after certain definite restrictions have been met.

It is pointed out that net earnings for 1922 were nearly four and one half times interest charges.

Alberta Has $3,600,000 Issue Due in December

On December the first the province of Alberta will have to meet an issue of $3,600,000 which was floated in 1913 for ten years at a rate of 4½ per cent. The provision which was made through a $2,000,000 issue last June will largely take care of this obligation. It is expected that this will complete the province's financing this year. No more province-at-large bonds will mature until the first of February, 1924, when $7,400,000 will have to be raised to retire a floatation of 1914. However, on the first of the coming year, provision will have to be made for maturing one of the university's bonded debts, this being a $2,300,000 issue, which was raised ten years ago on a 4½ per cent. basis, with the exception of the $300,000 which was borrowed five years ago at 5½ per cent.

Aside from the heavy block which will have to be taken care of during the first two months of 1924, next year's refunding issues will be confined to $500,000 worth which matures July 15 next, a portion of the serial debentures of 1921, which carry interest at 6 per cent.

ALBERTA'S BIG CROP

CALGARY.—Basing his opinion on returns available at the present time, John Macfarland, president of the Alberta Pacific Grain Co., believes the total crop for the Province of Alberta this year will be over 175,000,000 bus.

SCHOOL EXPENSES SHOW STARTLING INCREASE IN B.C.

Revenues From Public Utilities Reported as Slightly Higher

VICTORIA.—The increase in expenditures of the municipalities of British Columhia is one of the notable developments of the past few years reported upon by Municipal Inspector Robert Baird in a recent analysis of conditions in the cities and smaller towns of the province.

According to Mr. Baird's statement, expenditures of British Columbia municipalities have increased by practically one-third since 1915, and nearly one-third of the total municipal expenditures to-day are for education.

The total expenditures of the municipalities in 1915 on streets, fire, administration of justice, public health, council salaries and schools amounted to about $6,681,000, as compared with roughly $9,901,000 last year. School expenditures have advanced from $2,661,051 in 1915 to $3,591,642 last year. They represent to-day a greater expenditure than that devoted to streets, fire, police, health, salaries, etc., together.

In 1922 the expenditure for streets totalled $2,218,066, as compared with $2,266,277 four years ago, and $2,444,368 in 1915.

In his comment on the figures Mr. Baird states:

"This statement is of more than ordinary interest in view of the great increase in expenditures in recent years. It will be seen that the greatest increase has arisen in connection with streets, administration of justice and schools. It is to be noted that for a number of years following the large outlay by way of capital expenditures from moneys borrowed, the cost of maintenance of streets was very materially reduced, but many of the streets constructed in the years 1911 to 1915 are now requiring substantial repairs for the first time, and this, added to the great increase in motor traffic, is making the street problem a serious one at the present time for municipal administration."

Mr. Baird also points out that the revenue from municipally owned and operated public utilities continues on the increase. The amount from this source received during the year 1922 was $3,038,124, as compared with $2,911,165 the previous year.

"This increase in itself is perhaps not very great," he remarks, "but it is part of a steady improvement which has been made for a number of years. The water systems which were found necessary to be constructed as municipal enterprises have in the past been a serious burden, but this burden is becoming lighter year by year."

Business Men Lament Heavy Debt of Sault

Following an address before the Sault Ste. Marie, Ont., Rotary Club by F. F. McDonald, ex-mayor of the Michigan Sault, on "The Commission Form of City Government," considerable discussion on the affairs of the Canadian city was indulged in.

Mayor Dawson pointed out that the Canadian Sault's bonded debt amounted to $4,000,000 as against the American Sault's $472,000.

"One of the reasons," he stated "that the debenture debt of the Canadian Sault is so much greater than that of the Michigan Sault is because of the fact that the Carbide Company in the Michigan Sault contributes $247,000 a year in taxes, while all the Canadian Sault gets out of its big industries is some $12,000 per year."

In 1917, when the Michigan Sault adopted the commission form of government, it had a bond issue of $300,000 with an additional $309,000 of water system bonds. The assessment is now about $15,000,000, and the whole system is governed by mayor and council, and the city debt has been reduced.

Says Adjustments of Taxation Necessary

The suggestion of C. J. Yorath, Commissioner of Edmonton, that the municipalities refuse to pay the provincial supplementary levy, is strongly opposed by A. B. Silcox, director of the Citizens' Research League at Calgary. He says:

"The ground, he says, has already been covered when the cities last spring collectively appealed to the government for relief.

"But on that occasion one city asked for a motor tax, one fixed sales tax, one for a share of provincial revenues, and one for a larger educational grant.

"The government would have been no government at all, if it meekly accepted each city's panacea.

"The problem confronting us is the adjustment of taxes or the re-adjustment of tax bases. It is involved and difficult of solution. It is not merely a question of defining sources of provincial or municipal revenue, of forcing the province to give up some of its revenue to the cities, of increasing the revenues of the cities, nor necessarily the inventing of new taxes. We have a variety of taxes now, single tax, 50, 60, 75 per cent. improvement taxes, business taxes, rental tax, garbage tax, personal property tax among the cities and our cities are yet in difficulties. The results of passive resistance to the imposts of present municipal taxation are glaringly apparent in the large areas of unimproved property taken by the city for taxes.

"On the off chance, however, that there may be virtue in the passive taxation idea suppose that the business taxpayer of Edmonton try it out first. That might force Edmonton to do something on its own tax system which is efficiently admitted to be anything but perfect."

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place	Sold To—	Rate	Term	Amount	Price	Basis
Oct. 9.	Ontario	A. E. Ames & Co., and Syndicate	5	25-yr.	$40,000,000	——	
Oct. 9.	Point Grey	Royal Financial Corp.	5½	20-yr.	75,000	100.14	5.48
Oct. 9.	Etobicoke	Mathews & Co.	5½	30 inst.	71,700	100.81	5.42
Oct. 9.	Chicoutime	Rene F. Leclerc	5½	10 serial	150,000	99.05	
Oct. 9.	Ste. Therese	Rene F. Leclerc	5½	25 serial	140,000	99.26	

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Assurances in Force $630,000,000
Assets - - - $170,000,000
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

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Assets $53,605,630.49. Business in force $250,000,000.
Head Office — — — Waterloo, Ontario.

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Organized 1874
TOTAL BENEFITS
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Policies Issued from $500 to $5,000
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in Canada and the United States enjoy fraternal and every form of insurance protection in the Maccabees, operated on adequate rate basis. Attractive options. Policies, benefits and rates are fully explained in our free literature.
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INSURANCE FOR BUYER AND SELLER

BIG LIABILITY IN INSURANCE STOCKS IS NOT DANGEROUS

Record of Canadian Companies Shows Soundness of Organization

The double liability in bank stocks has come in for considerable discussion following disclosures of heavy losses by some of the banks. Holders of these and other stocks are reviewing their holdings to determine their liabilities. Stock in life insurance companies has revealed to some investors complications not easily understood.

Contrary to the policy followed in Great Britain, and the United States, the stock organization of life insurance companies in Canada has been based on what is known as the "call system." A par value, usually $100, is determined, and the stock is sold under an agreement that the purchaser will pay an initial instalment or call. This is a nominal amount of $10, 15, $25, or any other amount determined upon. In most cases the shareholder has not been called on to pay up the balance, but in the case of a few companies small additional instalments were paid. However, the shareholder is at all times liable for the balance. Thus we find some investors holding $100 shares in insurance companies on which only $10 has been paid and on which the holder is still liable for $90, or nine times his actual investment, instead of twice the amount, as in the case of bank stocks. To protect the holders of such stocks, legislation has been evolved which restricts any subsequent call on the shareholder to $10 per share at any one time, with thirty days' notice. This, of course, does not extinguish the shareholder's heavy liability should the company get in severe financial difficulties.

The actual experience of the companies during the past 75 years has gone a long way toward overcoming any fear of this extraordinary liability. Successful companies have followed a policy of gradually paying up the stock for the shareholders year by year out of profits, aside from cash dividends paid. In this way the paid-up capital, on which dividends are paid, has been gradually increased and the uncalled capital or liability reduced to a proportionate degree. Thus, shareholders in some companies find their shares almost paid up in full, when they themselves only contributed a small part of the amount standing to their credit. The Canada Life, which was organized in 1847, called up $4 per share in 1848, and $4 in 1849. For some years after that further amounts were paid up on the shares out of the company's profits. To-day each share is paid up in full and no additional liability exists on the part of shareholders. Varying amounts have been paid up on the stocks of other companies, according to the report of the Dominion Superintendent of Insurance. Some of these are:

Sun Life 42½ per cent.; Great West Life, 100 per cent.; Confederation Life, 10 per cent.; London Life 33 per cent.; and the Imperial Life 45 per cent.

Even small companies, which have succeeded in securing only a small volume of business, have not found it necessary to call up all their capital. In cases where such companies have been taken over, the shareholders have not suffered. In some cases where they had received almost no dividends throughout the company's life, they were rewarded with the return of their capital and attractive bonuses.

Since the organization of the Imperial Life, in 1896, most new companies have sold their stock at a premium, which often exceeded the amount of the call on capital. In other words, a $100 share of stock was sold at a price in advance of that, say $125. The extra $25 was collected and used to defray organization and current costs until the company became well established. In such cases, of course, dividends are paid on the amount of capital, not on the total amount invested.

This peculiar stock organization has grown out of certain characteristics in the insurance business. The first years of any company's existence are marked by a struggle to build up a strong field force. In competition with older, well-established companies, this is necessarily an expensive process and would ordinarily result in a heavy impairment of capital. Hence the sale of stock at a premium to take care of this.

The most striking characteristic is the immense business which may be built up on a small capital. The banks have capital stock running into millions, whereas the paid-up capital of most life insurance companies is less than $1,000,000. The subscribed capital is often larger, providing, as it were, a reserve security for policyholders. The paid-up capital, however, is often only a fraction of this. On such a basis the income of the Sun Life in 1921 totalled $31,330,415, and the company's capital was $850,000, with a premium paid on stock, of $120,000. In the same year the Canada Life, with $1,000,000 capital, has an income of $15,491,889, and the Confederation Life, with 100,000 capital, had an income totalling $6,933,486.

INSURANCE LICENSES

A license has been granted to the Norwich Union Fire Insurance Society, Ltd., to write burglary insurance and guarantee insurance, and to the Affiliated Underwriters to transact fire insurance. L. M. Donaldson, Montreal, has been appointed chief agent of the latter company in Canada.

Independent Foresters Established 50 Years

The Independent Order of Foresters has issued an interesting booklet describing the order's growth in 50 years from a fraternal society, with slightly over 500 members, in 1874, to a fraternal and insurance organization with $154,000,000 of life insurance in force on Dec 31, 1922. The last financial statement issued by G. R. Cottrelle, the Supreme Treasurer, shows the Order's total assets as $40,715,222, with a surplus and reserves of over $40,000,000.

The growth of the Order exhibits the rapid changes and marked advances in life insurance during the past 50 years. The plan used in 1875 called for the payment of ten cents by each member, on the death of any other member. This ran its course and a reorganization took place in 1881, bringing with it regular monthly premiums: In 1899 this was changed to the present premium basis, backed by expert actuarial calculations.

CLAIM AGENTS CAN AID ADJUSTMENTS OF FIRE POLICIES

Dishonest Claimant Prejudices Positions of Honest Policyholders

A circumstance which often gives rise to difficulties between policyholders and fire insurance agents is the adjustment of claims. A dissatisfied claimant is a knocker who can cause much harm to the agent and the companies he represents. On the other hand, a claimant, by a disposition to collect as much as possible on a policy, after a fire, may prejudice the adjuster and company officials alike against himself. The problem of making equitable adjustments is a difficult one, especially at a time when values are shrinking and fire losses are heavy.

Some sound suggestions to reduce the difficulties are made in the October "Federal Magnet." It says:

> We are all familiar with the usually quite honest citizen whose conception of integrity allows him, in a small way, to smuggle goods through the customs which he is bringing into the country for his personal use. It is in the same spirit that a claimant, having suffered a perfectly legitimate fire loss does not hesitate, at the time of settlement, to insist on more than enough to indemnify him for his loss. To profit by his fire, if he can, in the settlement, does not offend his code of ethics. This perverted idea is one of the most difficult things with which a company has to contend in its settlement of losses. A claimant should neither lose nor gain by a fire when his loss is fully covered by insurance, nor should he expect old goods to be replaced by new. Allowance must always be made for depreciation of their value by general wear and tear. How much easier the settlement of claims would be if the interested parties would bring to their transaction an absolute honesty of purpose. For that is the talisman that would reduce to simplicity what is recognized as a problem of extreme complexity and difficulty.
>
> The remedy is hard to find. But if it were possible, after a fire has occurred, for the assured to have clearly explained to him his status as a claimant, that it is morally wrong to profit by his loss, that the company has rights as well as himself, perhaps a greater measure of integrity would enter into its adjustment. No one could perform this service in the interest of the honest settlement of fire claims better than the company's agent, who as a rule is personally acquainted with the assured. And we believe that he could well do it in a quiet heart-to heart talk with his client before the arrival of the adjuster.

ONTARIO AGENTS CONVENTION

The annual convention of the Ontario Fire & Casualty Agents' Association will be held in Toronto on October 17 and 18. A number of interesting subjects relating to insurance will be discussed by experts, including G. D. Finlayson, Superintend of Insurance at Ottawa; J. Grove Smith, Dominion Fire Commissioner; H. S. Ives, Secretary, Chicago Casualty Clearing House Association, and others.

INSURANCE AGENTS GAIN PUBLICITY BY OFFERING PRIZES

Advertising Receives More Attention from Those Selling Various Policies

A novel form of publicity has been developed by Messrs. Ed., Hugh and R. T. Irwin, three life insurance agents in Western Ontario. At the Norwich Fair, on September 28, they offered three cash prizes for the best pure-bred heifer calves raised by policyholders, or sons of policyholders, in the Ontario Equitable Life, which they represent. The secretary of the fair wrote the company recently as follows:

> "They offered similar prizes last year which aroused a great deal of interest and resulted in bringing out one of the largest and most keenly contested classes in the whole show. Among the entries were prize winners at some of Canada's largest fairs. It is expected that even greater interest will be aroused at the next show."

Insurance agents have, as a rule, shown little disposition to advertise, believing that success depended entirely on "going after" business personally. In recent years some live agents have been using various methods to increase production, which may really be called advertising. One successful agent, who secures his applications largely from business men, is a member of several clubs, and other organizations. He spends considerable time promoting the best interests of these aids in welfare campaigns; takes an interest in municipal affairs, etc. In fact, he is such an important factor in the life and growth of the community that, if other considerations are equal, business men feel disposed to give him their insurance business.

In another case, a firm of insurance brokers operating in an Ontario city display little interest in affairs outside their business. The time not used in writing insurance is used in devising ways of helping their policyholders. They issue a monthly bulletin to all holders of fire policies, which contains suggestions to cut down fire hazards, and other useful information.

So much attention has been focussed on publicity in insurance that an insurance advertising conference was formed this year. At a meeting of the conference in St. Louis, on Oct. 21 and 22, a thorough study of all phases of insurance advertising will be made. In addition to the publicity programs of the companies, much time will be spent considering ways by which agents themselves can advertise.

The Phoenix Mutual Life Insurance Co., of Hartford, is presenting a challenge trophy to be competed for by the advertising departments of companies which are members of the conference. The trophy will be competed for on a challenge basis, becoming the property of the company winning it three times. The judges will make the award to the advertising department which, prior to May 1, of each year, has done the most meritorious piece of work. "Piece of Work" may be interpreted very broadly and may mean one single advertisement or a series of advertisements or a whole plan of campaign. It may mean a house organ, a pamphlet or a poster or a series of them.

FIRE LOSSES IN 1922

VICTORIA.—British Columbia's fire losses for the twelve months period ending December 31, 1922, totalled $3,252,368, according to a report submitted by T. A. Thomas, fire marshal to J. P. Dougherty, superintendent of insurance.

The loss was contributed to by 1689 fires, 934 of which occurred in urban municipalities, and caused a loss of $1,297,245, and 388 were in district municipalities with a total loss of $750,346.

In unorganized districts there were 348 fires with $1,177,564 loss, and nineteen in fire districts with $27,213.

W. M. Sellers, deputy superintendent of insurance for Alberta, has been appointed the manager of Northern Alberta for the Sovereign Life Assurance Co. of Canada, with headquarters at Edmonton.

High Fire Losses Must Affect Insurance Premiums Ultimately

A condition has arisen in respect of fire insurance in Canada which will eventually cost property owners large sums of money and will cause unavoidable embarrassment to numerous insurance agents. So far it has affected chiefly the insurance companies, but the toll of its destruction will ultimately spread to wider limits. It is the abnormal fire losses following the depression of 1921. In Canada, during 1922, created resources to the value of $54,390,600 were destroyed by fire, representing an increase of $10,000,000 over the previous year. In Great Britain the yearly fire loss per head of population is about ninety cents. In Canada it is between five and six dollars. So serious has the situation become that a Royal Proclamation has been issued by the governor-general setting aside the present week as Fire Prevention Week.

The statistics of commercial agencies show that fire losses are heavier in times of depression. Part of this is due to wilful firing of buildings, but a large portion of it is directly attributable to carelessness and a lessened control of danger factors, such as a reduction in cleaners, watchmen, etc. As pointed out by J. Grove Smith, Dominion Fire Commissioner, before the annual convention of the Canadian Manufacturers' Association, business men, who have control of much property, may be responsible for much of the loss. They have a correspondingly big opportunity to help in overcoming the present lamentable conditions. By tightening the fire prevention arrangements in their businesses, they can accomplish much. They can add to this by reporting dangerous conditions noticed by them in other quarters and by coming forward freely to give evidence in the case of suspicious fires. By so doing they will reap the rewards themselves, as it is a well established principle that insurance rates are based, in the long run, on the loss experience of the insurance companies.

As pointed out by E. P. Heaton, fire marshal of Ontario, the heavy insurance placed during the period of inflated prices, is partly responsible for the present heavy losses. Consequently the agent can play no small part in overcoming the unhealthy tendencies. Being engaged in insurance his mind is trained to see fire possibilities. By pointing these out he can serve the companies he represents and save his policyholders from unnecessary losses, thereby winning confidence and esteem in his community.

Oscar Hudson & Company
Trustee Department
Frederick M. Moffat
Manager
Assignments, Liquidations, Collections, etc.
1118 Federal Bldg. Toronto

FIRE AUTOMOBILE MARINE
British America Assurance Co. (Incorporated 1833)
British Empire Underwriters Agency
St. Lawrence Underwriters Agency
Western Assurance Company (Incorporated 1851)
Head Offices: 22 Wellington St., East, Toronto
INLAND TRANSPORTATION
RIOTS and STRIKES EXPLOSION

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W.H.George, Superintendent of Agencies

When selecting a Trust Company as an Executor choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,240,000
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

USE TIGER LEAK PROOF WOVEN CORD TIRES
Guaranteed for one year. Prices and particulars forwarded to you by request.
Tiger Tire & Rubber Co. Ltd.
42-44 Adelaide St. W., Toronto.

When Remitting
BUY
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

Butler-MacCulloch
Limited
Insurance General Agents, Fire, Hail, Automobile. Miscellaneous.
409 Hammond Bldg.,
MOOSE JAW SASK.

THE WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Union Trust Company Limited
TRUSTEES, EXECUTORS
4% Interest on Deposits
Winnipeg, TORONTO, London, Eng.

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Engravers and Printers
Bank Notes and Cheques
Corporation Bonds
Stock Certificates
Municipal Debentures
and other Monetary Documents
Head Office and Works
224 Wellington Street, OTTAWA
BRANCHES:
Montreal Toronto

LABRADOR COAST OWNERSHIP CASE EARLY NEXT YEAR

Privy Council Will Soon Tackle the Big Dispute

PULP RESOURCES

Capital Ready for Investment As Soon as Ownership of Labrador is Definitely Decided

From Our Own Correspondent.

MONTREAL.—It had been expected earlier in the year that the Labrador Boundary question would have come up before the Privy Council in London, but the case is now indefinitely off until some time early in 1924.

In the meantime both the Newfoundland and the Canadian Government are still hard at work digging up evidence in support of their respective claims. The world has been scoured for maps and charts and the libraries of Europe have been searched for ancient mariners' records that would throw some light upon the subject.

Labrador has stolen a march on Canada in respect of getting its case before the world, for Sir Patrick McGrath, a retired newspaper man and formerly president of the Legislative Council, has written an article for World's Work, an American publication, setting forth the whole question at issue.

Ottawa was surprised to see this article appear, as the matter was considered to be "sub judice." The solution of the case will probably be found to turn out on the interpretation of the word "coast." In 1763, following the British conquest of French-America, the coast of Labrador was given to Newfoundland because the sea-faring fishermen who were exploiting the fisheries of Newfoundland were pushing northward, and from an economic standpoint, the coast of Labrador and the Island of Newfoundland seemed to be joined. Eleven years later, however, Quebec annexed the coast for geographical reasons. Then in 1809 it was found that Quebec was too far away from Labrador to make possible the proper enforcement of authority and Newfoundland again came into control of the coast.

What is Labrador "Coast"

There the matter stands to-day, but there is a decided difference of opinion as to what constitutes the coast of Labrador. Newfoundland declares that the coast must be determined in a larger sense to include the whole water-sheds draining to the sea. This would add to Newfoundland territory 520,000 square miles of land, an area ten times as large as the State of New York.

Canada claims that the coast should include only a small district near the ocean running back for a few miles and following the shore lines of the sea. Canada's claim was not formulated until about 25 years ago when the boundaries of Quebec were established. Ottawa passed a law establishing the boundaries on the basis of the present claim of Canada and so little was Labrador considered in those days that Newfoundland did not even notice the passage of this law.

However, this fact does not, under British Constitutional law, prejudice Labrador's rights. Evidently squatters' rights do not extend to whole countries. Finally the two countries agreed to put the case before the Privy Council for decision. This decision will be final and unappealable and it is quite likely that it will be accepted by both parties to the dispute, although there is naturally no authority for enforcing the decision.

Many eminent counsel from Great Britain, Canada and Newfoundland have been engaged for the case and a fine array of legal talent will appear before the Privy Council to argue the matter. It is expected that the case will last for three weeks and will attract world-wide attention.

Since the collapse of the gold rush at Stagbay this summer, public interest in the Labrador boundary question had fallen to a low ebb. But whether there be gold or not, which is a question to be determined by further geological explorations, Labrador is known to be very rich in other natural resources. There is much spruce timber there very suitable for pulp. In 1904 the Quebec Government stopped lumbermen who had been cutting timber under Newfoundland permits and since then these resources have been idle. But with Canadian pulp and paper mills pushing further and further northwards, the Labrador pulpwood becomes of increasing economic importance. It would obviously be cheaper to bring pulpwood by steamer from the Labrador Coast to a point in Ontario and Quebec than to haul northern pulpwood a long distance by rail or river. There are capitalists waiting to exploit Labrador pulpwood as soon as the ownership of the disputed area is finally settled.

CADILLAC

When you can own a CADILLAC you may be sure that, always, it will measure up to your business success.

CADILLAC CARS LTD.
F. L. Webber — Manager
Telephone Plat. 1331
7 PARK AVE., MONTREAL

Mexico, Free From Warfare Now, is Market for Canada's Goods

Our Exports to That Country Have Grown in Past Ten Years As Have Our Imports from Mexico—There is a Mexican Commercial Agent in Canada

From Our Own Correspondent

MONTREAL.—Canadian manufacturers are going after business in Mexico with more aggressive methods than they ever tried before. So for that matter are United States manufacturers, and the latter are now taking full advantage of the fact that the United States government has just granted recognition to the government of President Alvaro Obregon, thus resuming diplomatic relations that have been unlinked since the pre-war troubles in the large Latin-American Republic.

Accustomed as is the average Canadian to hearing of nothing Mexican except guerilla fights, the escapades of Villa and Huerta, the troubles of Diaz and Obregon, and of seeing no evidences of Mexican civilization beyond the greasy, droop-brimmed villains of the movies, the newer state of affairs in that country comes in the nature of a surprise. The wonderful Mexican exhibit of nineteen booths at Toronto Exhibition was an eye-opener to the business men who were wise enough to call around when they visited the big fair early last month. The trade figures as well are startling, not so much for their present size as for the rapid growth which is still continuing at such a rate as to give promise of a much greater expansion of commerce between Mexico and Canada.

How Exports Have Grown

Here is the imposing record of Canadian exports to Mexico during the past few years:

CANADA'S EXPORTS TO MEXICO

1917	$ 70,330
1918	482,428
1919	568,943
1920	410,825
1921	1,086,197
1922	1,197,597
1923	3,291,096

The exports have continued to grow during the present year. In the first three months of 1923 we shipped to Mexico goods to the value of $760,000, as compared with $570,000 in the same period of the previous year.

Our imports from Mexico have also grown at a rapid rate. The record is as follows:

CANADA'S IMPORTS FROM MEXICO

1917	$ 677,551
1918	664,790
1919	584,047
1920	2,648,915
1921	2,185,399
1922	3,798,202
1923	3,850,721

There has been a very noticeable falling off this year in our imports from Mexico.

What Mexico Will Buy

Canada can sell practically any line of its manufactured goods in Mexico. Included in the products, for which there is a large market in that country, are all kinds of tools and machinery; pulp and paper; beverages; almost anything outside the natural products of Mexico, and in a line where the Canadian shipper can successfully compete with British, American and other merchants.

Our imports from Mexico include chiefly tropical products, such as coffee, rubber, beans, fruits, nuts, the raw material for chewing gum, oils, spices, mahogany, and other woods, etc. These are chiefly raw materials. Mexico is rapidly developing as a manufacturing country, and with the advent of millions of new capital for industrial development, will ship more and more of manufactured goods. Such lines will include such products as hempen ropes and binder twine, textile and stone ware.

Mexico is almost unknown to Canada. The country has an area of 770,000 square miles and a population of more than 16,000,000, almost double Canada's population. It has the land and raw materials to support double or treble this population. It produces corn, wheat, cotton, coffee, beans, molasses, gold, silver and other ores, coal and timber.

Finances of the Country

Its finances are really in good shape. The country is one of the few in the world that is on a gold basis. Its total national debt is $528,487,000, as against estimated wealth of $6,763,018,000. This gives per capita wealth of $451 and a per capita debt of $35, comparing favorably with any other nation. There are many millions of foreign money invested in Mexico. Great Britain has invested $670,000,000, and controls many of the railways and public utilities. The United States has invested $652,000,000 and largely controls the oil fields and many of the mineral areas. France has invested $282,000,000; Spain, $188,000,000, and Germany, $75,000,000. Canadian capitalists have also invested in Mexico, but their work has been chiefly to work out the details of enterprises that have been financed, in the main, in London. Canadian banks are established in Mexico City, which is a matter of considerable importance to the Canadian exporter or importer, as it gives him a convenient and safe method of arranging for the payment of his bills or for the acceptance of drafts in Canada with bills of lading attached.

The Mexican government is alive to the opportunities for trade between this country and its own, and has appointed a permanent commercial agent for Canada, returning the courtesy that was extended by the Canadian government when a Canadian trade agent was sent to Mexico City. The Mexican trade agent in Canada is L. F. Bustamente, of Montreal. It is of importance to know that Mr. Bustamente's work does not consist only of promoting the sale of Mexican goods in Canada. He aims, too, to extend Canadian markets in Mexico, and in this connection he is in a position to place offerings of Canadian products before Mexican chambers of commerce, financial and business papers and importing agencies.

Should Visit the Land

But for the Canadian producer or manufacturer who is interested in the possibilities of the Mexican market the surest system of sounding out the prospects is to send a well-informed salesman to that country. If he can speak Spanish it would make his path easier, although most of the large business and financial institutions in Mexico have at least a few employees who understand French or English. The Canadian banks have branches in Mexico City—which, by the way, is a city of over 1,000,000 people—or the other Canadian banks with connections in that country can assist the would-be exporter.

Once upon a time Mexico was a land of romance and exploration; then it became, to outsiders at least, a land of troublesome times and dark deeds. Now it has eliminated most of the obstacles of its development period and is the land of opportunity for foreign capitalist, manufacturer or trader. And this includes Canadians.

CANADIAN FORESTERS TO ADJUST FINANCES

Regard Adjustments Under 1921 Act as Big Advance for Fraternal Insurance

The recommendations in the report of the readjustment committee appointed by former Attorney-General Raney in connection with the Canadian Order of Foresters involve the adoption of one of two alternatives, namely, that the rates be increased or that the face of the existing policies be reduced to a figure which will make the prevailing rates adequate.

The appointment of the readjustment committee, which consisted of G. T. Clarkson, Lyman Lee, and Professor M. A. MacKenzie, was the result of the failure of the Foresters' Order to voluntarily adjust its rates to a schedule that would make the Society solvent. The report of the society's own actuary had shown to the provincial insurance department that the Order was only 47.78 per cent. solvent. In accordance with the provision of the legislation passed in 1921 the committee was formed when the Order failed to adjust voluntarily.

The report of the Ontario Superintendent of Insurance, V. Evan Gray, which was issued recently, indicates that during the past year two of the most important of the fraternal bodies have passed through the readjustment stage, one voluntarily and the other as the result of the appointment of a committee. A third has practically completed its readjustment, and another is in the midst of a similar process.

These changes are regarded as an important advance for fraternal insurance, which has suffered from inadequate rates, with the consequent impairment of reserves.

The superintendent's report shows that insurance totalling $172,595,755 and involving 178,687 individual contracts is in force with the fraternal societies in Ontario. During the past year, it is stated, 7,071 new contracts have been entered into, involving new business totalling $6,220,000.

TOURISTS IN ALBERTA

CALGARY.—Probably in no other year in its history has tourist travel to Alberta been as heavy as this year, and an even heavier year is anticipated for 1924. The Canadian Pacific Railway reports heavy tourist traffic, and the reports of auto traffic show that this has also been very heavy. Nearly 5,000 cars, many of them from United States points, have been registered at the Banff Park alone up to the end of August.

WESTERN COAL PROPERTY

British engineers visiting Canada seem to be looking for one of two things, either a gold or silver property. They do not seem interested in anything else. The same applies to Canadian engineers representing English interests. One who was perhaps a little more candid than the others said he knew nothing of coal mines, but did know gold and silver, so he confined his attentions and incidentally his recommendations to his English interests to these properties. However, there is just the chance that we may get an inquiry about a coal property the same as we do about gold and silver any day, and we will keep your letter before us.

FAKE PROMOTION SPOILED BY WELL-POSTED BANKER

Moving Picture Project is Shown Up By Facts

From Our Own Correspondent.

ST. JOHN.—There arrived, with much ceremony in one of the chief centres of the Maritime provinces, a man whose mission was to organize a motion picture producing organization. It was his plan, he asserted, to produce good films in that city and suburbs, and he dilated at some length in his monologue on the benefits in advertising and publicity the city and vicinity would receive. According to his statement, the value of the first film would be at least $1,000,000. And such a film could be produced for about twenty thousand dollars.

He persuaded a number of local business men to join in his project, the site for a studio was chosen, and preliminary arrangements all made for the producing of the first picture of the concern. It was at this juncture that, at the behest of the organizer, a local business man, a very worthy and responsible individual, interviewed the manager of one of the local banking and trust companies. The manager suggested that the organizer and several of the directors of the concern arrange an appointment for a thorough discussion of the prospects of such a film producing venture as outlined by the business man, who sought a quite heavy credit in behalf of the new organization.

The appointment was made. In the meanwhile the bank manager fortified himself with some facts and figures regarding the motion picture industry, obtained from trade periodicals catering to the industry. The organizer painted a glowing word picture of the possibilities of the first picture, in a monetary sense. After he had subsided, the bank manager disclosed the sales values of some of the best known and most expensive films of the age, and only a few had a market value of a million dollars or over. The bank manager's knowledge of the motion picture finances proved a surprise to the visiting organizer-promoter. The talk of the banker was so explicit and effective that half of the delegation began to think. And the result was that the promoter had to move on to another location. Following the refusal of the manager of the banking and trust institution to involve his bank in the schemes, the bulk of the directorate, whom the promoter had carefully chosen, refused to buy the shares of stock he had alloted to each.

FT. NORMAN FIELDS, MAGNET FOR MANY SPECULATORS, DEAD

Drillers Have Quit, and May or May Not Go Back

Fort Norman oil fields will be deserted this winter. Operations, which have gone on for three years, are halted. Most of the drillers are out. President C. O. Stillman, of the Imperial Oil Company, says that this does not mean the actual abandonment of Fort Norman by the company, but the future is very uncertain. The company is awaiting a report from Angus Sutherland, their drilling superintendent, before making an announcement.

This may mean the end for hundreds of speculators lured by the possibilities of great and sudden riches. Fort Norman, like many of the old northern gold camps, sprang into being almost overnight. Squat cabins twisted themselves into a main street. Within a year of the first hectic rush there were two stores, two churches and about thirty log shacks, and one tent restaurant with meals at $1. Half starved wild dogs prowled around the shacks or squatted in the road.

The boom started in 1920 when the Imperial Oil was reported to have brought in a gusher. The first rush was for claims and by December, 1921, nearly 800 square miles of claims had been staked and for a hundred miles north of Fort Norman both banks of the river and all its islands had been staked. Each claim takes in about four square miles. There were about 200 of these claims.

The Imperial Oil Company gusher was the oleaginous magnet that had drawn men from the outer world. This discovery well was deepened to 951 feet and, according to the last report, was producing some 75 barrels of crude petroleum per day. Then there were three additional wells of 515 feet, 65 feet and 495 feet. Five camps in all there were, at a cost of hundreds of thousands of dollars, but the announcement from C. O. Stillman in February, 1923, practically sealed the fate of Fort Norman. He said "the third year of the company's active drilling operation has ended without tangible results."

Another company was formed, the Fort Norman Oil Company, and they drilled a well 900 feet deep, but the results were meagre and offered no justification to the extreme optimists. Yet the geologists knew that the nature of the land, highly bituminous shales and limestone underlying the district for miles around, seemed to justify their hopes.

Seemingly there is some oil there but it is not in sufficient quantities so far to make its transportation to civilization a commercial success.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

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15 WELLINGTON STREET WEST TORONTO

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Property Values Definitely Established to Meet All Insurance and Accounting Requirements
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Exterior and Interior of Karry's Billiard Hall, Toronto

A Floor that Stands Severe Wear

THOUSANDS of footsteps pound and scrape around these tables every day. Visualize this activity and you get a pretty fair idea of the punishment to which a Dominion Battleship Linoleum floor is subjected. In addition, it is easily kept clean and is sanitary and germicidal to a marked degree, features that make it especially desirable as a floor for public places. When properly applied with waterproof linoleum cement,

DOMINION BATTLESHIP LINOLEUM

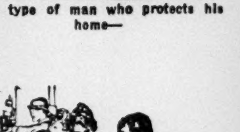
becomes a permanent floor that imparts an air of restful quiet and is comfortable and springy to walk on. Dust or germs cannot accumulate on its smooth, seamless surface. Waxed occasionally with a reliable floor wax, Dominion Battleship Linoleum becomes increasingly attractive with age. Canada's largest banks, offices, departmental stores, schools, hospitals and public buildings have proved its durability and all around satisfactory qualities.

Made in four standard shades: brown green, terra cotta and grey. Special colors on large contracts. Write for samples and literature.

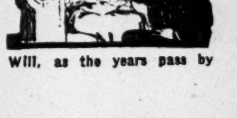
Dominion Oilcloth and Linoleum Co., Limited
Montreal

If you only knew—

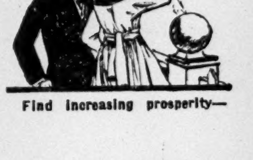
Your Future?



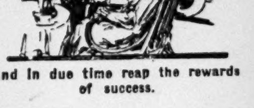
The type of man who protects his home—



Will, as the years pass by



Find increasing prosperity—



And in due time reap the rewards of success.

that your good health would continue, even for one day—
that twenty years from now you would be alive and well off—
that your present income would remain secure and always available for you or your family—
You might then plan your affairs accordingly. But to know these things is impossible.

The Only Way

You can, however, anticipate the years, capitalize your present health and earning power, and thus make certain of twenty years' progress now, by securing in good time our

Home Protection Policy
for $5,000

This plan is the basis of all life insurance.

Experience has proven that it offers maximum insurance at minimum cost.

The annual outlay is comparatively small, being only a moderate rate per cent. on the capital "estate" created, according to age. The average is about 3%.

Even these small payments may be reduced by dividends.

Cash values are guaranteed—a fund for emergencies.

Policy continues in force while any cash value remains, thus preventing lapse and loss of protection.

Many policyholders in the Canada Life have lived to draw large sums from this form of policy for their own personal use.

Remember:

A substantial policy on your life will do much towards carrying out your intentions—whether you live or die.

It may pay off the mortgage, supply food and clothing for your family—keep the children at school.

It may be all that is left of your life work—to keep you in comfort in your old age.

Ask For Particulars

Canada Life
Assurance Company
Home Office
TORONTO

Canada Life Assurance Company
Dear Sirs—Without obligation on my part, please send me particulars of your Home Protection Policy.
Name ....
Address ....
Born.......... day of.......18..

12

SHAREHOLDERS OF HOME BANK DOUBLY LIABLE

Liquidator Will Call on the Investors Under Agreement

SAFEGUARDING PUBLIC

Feeling Grows That Depositors Should Have Assurances in Future—Should be Provided by Banks

It may now be accepted that the double liability clause in connection with the stock of the Home Bank will be fully exercised. The extent to which these claims can be realized is a different matter. Even when judgment is secured through the courts there is the problem of collection. Following the appointment of G. T. Clarkson as interim liquidator of the bank by Mr. Justice Fisher in the Bankruptcy Court, at Osgoode Hall, the statement was made that the double liability obligation would be enforced in connection with all shares sold within sixty days of the suspension of the bank. It is reported that there were quite a number of sales within the 60-day period. The paid-up stock totals $1,960,000. The cash in the hands of the liquidator falls short of the requirements for the 25 per cent. distribution to depositors, but it is understood that through the advisory committee of the Canadian Bankers' Association funds will be arranged to make the distribution. Estimates as to the eventual realization by the depositors agree with the forecast of about 50 cents on the dollar made by THE FINANCIAL POST prior to the report by the curator. A meeting of creditors and shareholders is to be held in Massey Hall, Toronto, on December 5. Later a permanent liquidator will be appointed.

In order to conserve the assets of the bank in the interests of the creditors, and to borrow the necessary cash to make the 25 per cent. distribution to depositors, the formation of a trust has been authorized.

At a meeting of depositors from all parts of the country, held in Toronto, resolutions were passed: That the Bankers' Association take over the assets of the Home Bank and pay 100 cents on the dollar on depositors' claims; that the Bank Act be amended to compel all banks to deposit an amount with the Treasury Department equivalent to 5 per cent. of capital and reserve, this amount to be used to meet depositors' claims in case of any bank's failure; that the government liens on Home Bank assets be waived, and that the government facilitate the making of Post-office Savings Bank deposits and withdrawals. A suggestion that the meeting favor the nationalization of the banks was treated with derision.

The request of the depositors that the governments forego their prior claims has not met with favorable response. Hon. Mr. Fielding points out that the Federal claim is very small in any event, and that a precedent should not be established, while Premier Ferguson of Ontario contends that the people of the province as a whole should not be called upon to make up the losses of a few. It is generally felt that Mr. Ferguson is right, and that it would set a dangerous example to have the government make good the losses of individuals. There is a growing opinion that for the future the deposits of the public should be safeguarded, but that the banks themselves, rather than the government, should provide the guarantees.

In view of the double liability of shareholders, it is interesting to note that President Daly is registered as the holder of shares of par value of $211,900. The claims against the other directors would be: F. J. B. Russill, $5,000; S. Casey Wood, $4,000; J. F. M. Stewart, $4,000; R. P. Gough, $8,200; P. A. Mitchell, London, Eng., $148,500; Lt. Col. Clarence A. Smith, $5,000; and C. A. Barnard, $5,000.

Get Your Degree

Every capable, experienced Bookkeeper and Accountant may now qualify for a Canadian Accountancy Degree. Shaw's Home Study Course under the personal direction of W. S. Ferguson, C.A., will clear the way. Examinations fully provided for. Write Wesley W. Brown, Registrar, 46 Bloor St. W., Toronto.

The Ontario Savings Offices to Continue

While the Ontario government has had under consideration the future of the Provincial Savings Offices, with the intention of deciding its policy on the basis of sound business, the whole banking situation has been disturbed by the failure of the Home Bank and other developments. These developments have, no doubt, been an important factor in the announced decision of Premier Ferguson to continue the government banking plan for the time being at least.

It is generally accepted that the total of deposits has been largely swelled since the Home Bank failure. One report puts a total of $11,000,000 as having been reached.

The attitude of the Ferguson government has not been favorable to an extension of the system by competing with the heavily-taxed banks but some enlargement of facilities may be required, and in this connection some plan to take over premises which have been occupied by the Home Bank may possibly be considered.

What Bank Statements Hide

The revelations as to the manner in which the assets of the Home Bank had been impaired over a period of years without the losses being shown in the returns to the Dominion government or the reports to the shareholders, emphasize the fact that figures do not indicate a great deal in regard to the position of a financial institution or an industrial company unless they are interpreted by a competent expert. Some of the banks have hidden assets running into millions. The Home Bank had equally large hidden liabilities.

When the Standard Bank found it necessary to adjust its reserves to take care of losses on certain industrial loans, General Manager Easson explained to THE FINANCIAL POST that this was necessary because the bank had followed the custom of "window-dressing" with its assets. In other words the statement was made to show all the reserves and there was no surplus to take care of losses without changing the "window."

Other banks have followed a more conservative policy. One of the largest of the Canadian banks sustained losses reported around $5,000,000 in Mexico at the time of the revolution and was able to meet this loss from hidden reserves without altering the published statement. Similarly, as the result of the collapse in the sugar market a few years ago, one of the larger banks sustained losses reported at $7,000,000 and was able to meet these from its hidden surpluses.

In the recent period of industrial depression and adjustment other banks than the Union, Standard, and Home, no doubt had losses. One of the smaller banks we know had a loss of upwards of $2,000,000 on a ship-building account. But evidently these losses were taken care of, as in the case of the ship-building loss mentioned, out of hidden reserves.

These definite indications that the published returns of the banks may fail to reveal hidden reserves or hidden losses, lend emphasis to the argument that there should be at Ottawa a competent, experienced banker to supervise the monthly reports on behalf of the Minister of Finance, with the authority to ask for additional information regarding important items and otherwise keep in touch with conditions at head office. By this means it is argued that unsound loans could be checked before they involve overwhelming losses, as the difficulties of the banks have invariably centred around transactions handled at head office. Supervision of this kind might result in losses being written off by the banks more frequently, but it would tend to prevent impaired loans being carried and increased until the whole structure is undermined.

WAS INCOME TAX DUE FROM HOME BANK?

Tax Paid Each Year When Heavy Losses Were Experienced; Suggest Refund

To pay taxes at any time is not an enjoyable affair for most people, much worse to pay them on profits or income not actually earned. Yet, if the estimates of some disappointed depositors are correct, this was exactly what was done in the case of the Home Bank.

In the Home Bank's statement for the year ending May 31, 1923, $29,040 is shown in the profit and loss account as Dominion Government income tax paid and provided for. The report of the previous year includes a much smaller sum of $6,690 for Dominion Government income tax, and the report of May 31, 1921, shows $10,632 reserved for the same tax. In 1920 the amount of this tax paid was $5,511. The Curator's report states that the bank's losses for the last five years have never been provided for.

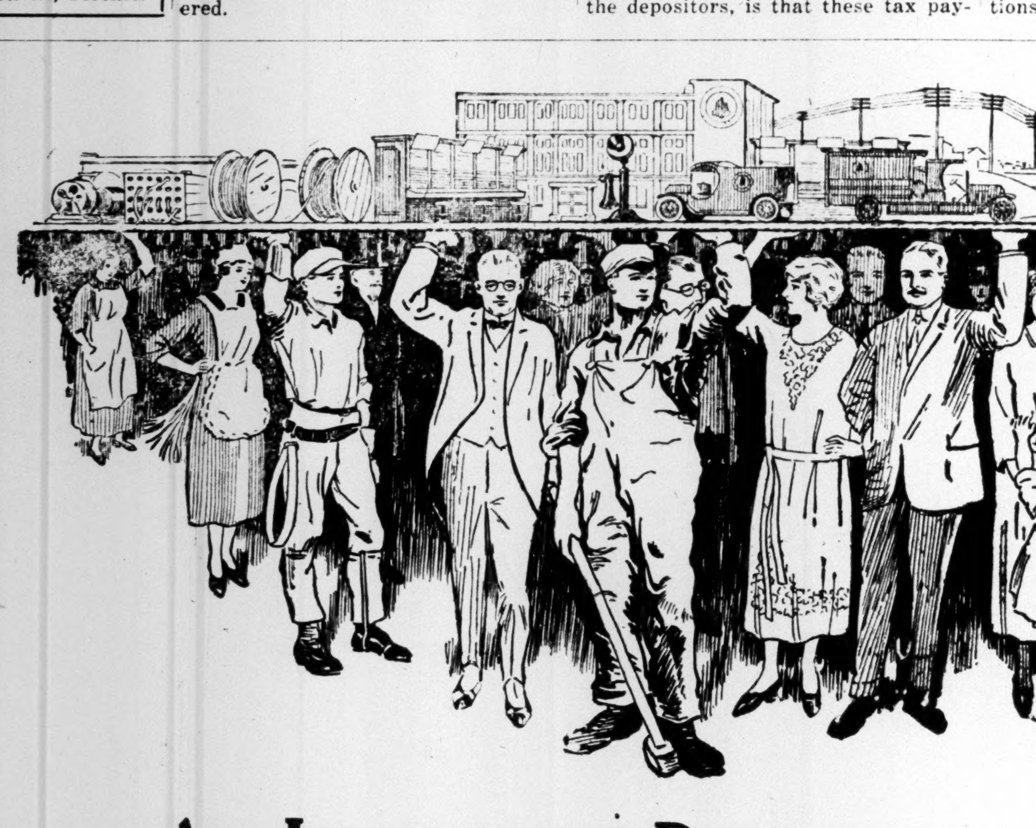
From these figures it would appear as if the Dominion Government has received money in payment of taxes, which, in reality, were not due. Depositors have been pressing for the government to come in as an ordinary rather than a preferred creditor. A suggestion to improve the position of the depositors, is that these tax payments be refunded. The strength of this suggestion is increased when we note that a much larger sum was paid this year than formerly, at a time when the losses, with arrears of interest, etc., must have been heavier.

Another suggestion put forward is in connection with the circulation notes. The other chartered banks are collecting these as they come in. When they are redeemed by the liquidator, interest at 6 per cent. will be allowed on them from the date of the bank's suspension. Should this period be 90 days, the interest on $1,000,000 of notes would be $14,794. If a ruling were made by the Bankers' Association, cutting out the interest, it would add that amount to the balance available for depositors.

Leak of $60,000 in B.C. Fur Royalties

VANCOUVER.—British Columbia's game board is satisfied that there is a leak of $60,000 yearly in the province's fur royalties. The export of fur from Vancouver and Prince Rupert without payment of provincial royalty is believed to be responsible for the shrinkage, which fur men are inclined to place at a much larger amount than the commissioners.

With the value of the fur catch placed at $2,000,000, admittedly a low figure, the royalty should reach $100,000, it is pointed out. Collections, however, total only $40,000.



An Investment Democracy

Saturday we are mailing to our more than ten-thousand-three-hundred shareholders dividend cheques in payment of the 158th quarterly dividend.

Thrifty investors from all parts of the Dominion, from Great Britain and the United States, have entrusted to us their savings. They differ as widely in occupation and in wealth as do the users of telephone service. Their money has gone to buy the telephones, wires, cables, switchboards and buildings with which our great system is being continually extended to new users.

Just as our thirteen thousand employees must be paid a reasonable wage for their labor, so our ten-thousand three-hundred shareholders should receive a fair return on their investment if service is to be continually extended to new applicants! Indeed, the necessary extension of new facilities to growing communities is made possible just in the degree that this return to shareholders is assured,

And each new telephone installed adds to the value of the service to all its users!

The Bell Telephone Company of Canada

FRANK KENNEDY, Manager

BABAYAN'S Limited

KING AND VICTORIA STS., TORONTO

Canada's Largest Importers of

ORIENTAL RUGS

We carry extra large size rugs suitable for Board Rooms, Banks and Private Offices

Rugs cleaned by our native experts

Village of Sutton West

TENDERS will be received for $21,000 20-year 5½% Debentures of the incorporated Village of Sutton West, Ont., up to October 27th, 1923. These debentures are to be issued for the purpose of installing a Hydro Electric System under authority of a by-law assembled by the ratepayers on April 21st, 1923. Further particulars may be obtained from the undersigned.

F. G. TREMAYNE,
Clerk,
Sutton West, Ont.

PROBLEM TO FIND JOBS FOR HARVESTERS

Farmers Do Not Need Many Hands—Building Not Likely To Be Active

From Our Own Correspondent

CALGARY.—British harvest immigrants present a problem. These men, who have come across the ocean as harvesters, do not know the avenues for other employment, and are not equipped by sufficient experience in Canadian ways to be of much service in any line except where heavy work is to be done. Very few of them can handle horses, and also few can be of much service in the bush. Just what they will do is a problem. Many of them will have but little cash left after the season is over, and many of them still owe to friends across the water for at least a part of their passage, and are sending this away first.

There will not be any large employment by farmers for winter, as there are not many cattle to feed, and in most cases the care of them has already been arranged where other than the family owning them is required.

As to building, there will be practically none going on, as both wages and materials are so high, that capitalists do not care to venture to build, believing that if they do the buildings will be so costly that it will be impossible to make interest on the investment. That means that while the ordinary business will be carried on, there will be little employment here for outside men.

The cities are taking the stand that with a good harvest and good wages paid, they are not going to do any charity work in taking care of a bunch of men who have "blown" their wages and fall back on some charity to look after them during the season of unemployment. This is positively stated to be the attitude of the cities, and is being broadcasted so there may be no misunderstanding as to what may be expected.

Farmers of Ontario Make Good Progress

Fall wheat as a rule is looking well, although the greater part of it was sown during the first three weeks of September, to avoid the Hessian Fly. Peel says that "Never Better" is a common comment, according to reports to Ontario Department of Agriculture.

Satisfactory progress is being made with silo-filling. The corn has stood somewhat smaller in length and bulk, but is nicely eared and will make good feed.

Farmers are also very busy with late harvest work. The weather has been favorable for potato and root gathering, and also for threshing, and much work has been done along these lines.

Considering the claims of other field work, a good deal of fall plowing has been done. The open weather of the last week or two was favorable for the work, but the land is again getting dry and hard in many sections of the province, and a good rain would be welcome.

Peel says that alfalfa buyers are in keen competition, and that several carloads have been shipped recently.

Both Stock and Bond Prices are Disappointing

NEW YORK.—The securities market recently has been disappointing for those who expected a general advance of prices with the close of the vacation season, states the current issue of the Guaranty Survey, published by the Guaranty Trust Company of New York. Not only have stock prices moved irregularly lower but bond prices have softened in instances. The important declines in bonds, however, have been confined generally to those issues which are influenced by special circumstances affecting certain industries or particular companies.

The fundamental factors in the market, however, remain the same as during the last few months, and prices of bonds which are responsive primarily to movements of money rates have fluctuated relatively little. In spite of a moderate advance in commercial money rates, this being the period of the year when purely seasonal requirements for banking accommodation are heaviest, many well secured bonds are selling to yield 6 per cent., or better, a yield that has seldom been obtainable in the past.

TENDERS FOR DEBENTURES

TENDERS will be received by the undersigned up till noon on Wednesday, the 22nd day of October, 1923, for the purchase of $25,000.00 of 6%, 20-year debentures for an addition of Public School of School Section No. 1, Township of Tisdale.

Debentures will be for $1,000.00 each and odd hundreds, equal annual payment $2,179.61. The above is issued under Township By-law No. 248, and are guaranteed by Ontario Government.

Further particulars may be had from the undersigned.

Dated this 25th day of September, 1923, at South Porcupine.

FRANK C. EVANS,
Treasurer,
Township of Tisdale

THE CANADIAN BANK OF COMMERCE

NOTICE is hereby given that a special general meeting of the shareholders of The Canadian Bank of Commerce will be held at the Head Office of The Canadian Bank of Commerce at 23-25 King Street West, in the City of Toronto, Ontario, on Wednesday, the 21st day of November, 1923, at the hour of twelve o'clock, noon, for the purpose of submission to the said shareholders of an agreement for the sale by the Bank of Hamilton to The Canadian Bank of Commerce and for the purchase by The Canadian Bank of Commerce from the Bank of Hamilton of the whole of the assets of the Bank of Hamilton upon the terms set out in such agreement, and for the purpose of considering such agreement, and for the purpose, if thought fit, of approving of the same.

By Order.
JOHN AIRD,
General Manager.
Toronto, the 26th day of
September, 1923.

Abitibi Power & Paper Co., Limited.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Co., Limited, payable the 20th day of October, 1923, to shareholders of record at the close of business the 10th day of October, 1923.

By order of the Board.
L. R. WILSON,
Secretary.

Dominion Textile Company, LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of One Dollar ($1) per share on the Common Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th September, 1923, payable October 1st to shareholders of record September 15th.

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, September 5th, 1923.

NO ONE OVERSEAS TO DEBATE TRADE WITH AUSTRALIA

(Continued from page 1)

plants. But to Australia, American manufacturers find it more convenient to ship their automobiles from their American plants. This is because Australia charges the duty on motor cars on the domestic price in the country of shipment, and as automobiles are cheaper in price in the United States, this practically amounts to a preferential tariff on automobiles in favor of the United States. The same thing applies on many other lines. If a preference for Canadian products could be obtained from Australia, it would mean that a larger part of the export of automobiles by American manufacturers would be carried on from Canada.

Pulp and Paper Industry

Another industry that would be favorably affected would be the pulp and paper industry. At the present time Canadian pulp is being shipped to England and made into paper there and from England shipped to Australia. This means that the product goes almost completely around the world and is brought to the highest state of manufacture outside of Canada. Australia some time ago gave a preference on paper shipped from the British Isles and Canada cannot at the present time compete. If the rates of tariff on paper from Canada and England were equal, it would mean that the Canadian pulp now finished in England would be made into paper in this country and shipped directly to Australia.

Other industries that would certainly have their shipments increased would be iron and wire industries, electrical goods, agricultural machinery, and a number of others.